FBIS DAILY REPORT

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REPORTAGE ON BREAKDOWN OF TALKS WITH BRITAIN

Martinez on Sovereignty Issue

PY191320 Buenos Aires Domestic Service in Spanish 1030 GMT 19 Jul 84

[Report by Jorge (Riera) from Congress]

[Excerpt] During a chat with journalists accredited to the Congress, Vice President Victor Martinez categorically stated that Argentina will not declare any official cessation of hostilities during the bilateral talks underway in Geneva [as heard]. Dr Martinez said: We have insisted on the matter of Argentine sovereignty over the islands and we will not relinquish it in any forum. He added: Nor will we accept that the talks be held with the condition that we not bring up this fundamental matter. In conclusion he said that we will not relinquish our sovereignty nor accept any conditions on it, let alone that our sovereignty be questioned.

However, he said that the discussion of the sovereignty matter during the new round of talks depends on the circumstances, noting that a cessation of hostilities with Great Britain could be declared only at the end of the negotiations. He added that talks and dialogue contribute to rapprochement between the parties.

Communique To Be Issued

PY191215 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1130 GMT 19 Jul 84

[Excerpts] Buenos Aires, 19 Jul (NA) -- Argentina and Great Britain will jointly announce at noon today the first results of the "informal exchange of ideas" without a preestablished agenda that they have begun in Bern on an invitation from the Swiss Government to discuss the issue of the Malvinas, Georgias, and Sandwich Islands.

A high diplomatic source indicated that a joint document will be released today simultaneously in the Foreign Ministries in Buenos Aires, London, and Bern to report on the evolution of the talks which began in Switzerland yesterday. An official spokesman said that today's communique will mention the possible lifting of the exclusion zone around the Malvinas as a concrete step toward an understanding between the two governments.

The source also said that the resumption of the Argentine-British negotiations after more than 2 years is the result of 1 month of intense contacts which included an exchange of notes between the Buenos Aires and London governments.

The source pointed out that yesterday's diplomatic meeting in Bern precedes other meetings of the same nature, that the meetings are aimed at returning the negotiations to the United Nations, and that UN Secretary General Javier Perez de Cuellar has already been informed.

A spokesman of the Argentine Foreign Ministry said that today's communique will mention the possible lifting of the exclusion zone imposed by the British around the islands and a declaration of de jure cessation of hostilities by Argentina. The spokesman pointed out that the negotiations are aimed at achieving gradual understanding which can begin with the resumption of consular, financial, commercial, and cultural relations.

Talks Broken Off

PY191419 Buenos Aires TELAM in Spanish 1415 GMT 19 Jul 84

[Text] Buenos Aires, 19 Jul (TELAM) -- Foreign Minister Dante Caputo has reported that the Argentine Government has broken off the talks begun with the United Kingdom yesterday when the other party (London) refused to recognize as the issue of discussion the restitution of the Argentine sovereignty over the southern islands.

Foreign Minister Caputo added that on 18 and 19 July Argentina made it clear in Bern to the international community that it was well disposed toward dialogue on the conflict of sovereignty over the southern territories, but was forced to withdraw from the dialogue in view of the British refusal to discuss the subject.

Communique on Breakdown

PY191440 Buenos Aires TELAM in Spanish 1430 GMT 19 Jul 84

[Text] Buenos Aires, 19 Jul (NA) -- This is the text of the communique released by the Foreign Ministry at noon today:

"The Ministry of Foreign Relations and Worship reports that on 18 and 19 July, at an invitation of the Swiss Confederation and with the participation of representatives of the Federative Republic of Brazil, the delegations of the Argentine Republic and the United Kingdom of Great Britain and Northern Ireland met in Bern. The meetings, which were of an informal nature, were held with an open agenda with the purpose of exchanging points of view concerning the Malvinas, South Georgia, and South Sandwich Islands, and other points related to the problems affecting the relations between the two countries.

"At the beginning of the meeting, the Argentine delegation reasserted Argentina's sovereign rights over the Malvinas, South Sandwich, and South Georgia Islands. It also asserted that since the sovereignty matter constitutes the substance of the conflict with Great Britain, the other points of disagreement would be resolved in an expeditious and satisfactory manner if a serious and responsible solution were found to the sovereignty issue. In this regard the Argentine delegation reaffirmed the Argentine Government's willingness to find a solution to the conflict based on the recommendations made by the United Nations.

"For its part, the British delegation stated that it was not disposed to discuss the sovereignty issue. Since this circumstance impaired the objective of the Bern meeting, there was no point in continuing the talks."

British 'Intransigence' Criticized

PY191520 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1458 GMT 19 Jul 84

[Text] Buenos Aires, 19 Jul (NA) -- Great Britain "did not abide by the agreements made in the initial contacts, and their representatives in Bern indicated that they were not willing to discuss the issue of Argentine sovereignty over the Malvinas Islands," said a very high government source today.

The source indicated that in the preliminary steps of the negotiations it was decided that the joint communique to be released today would say that "the British representatives were not yet prepared to study the sovereignty issue." However, the source indicated that the British replaced this paragraph by another saying "they were not willing [no estaban decididos] to study the sovereignty issue."

Under Secretary Marcelo Delpech, who heads the Argentine delegation, asked his British counterpart, Foreign Office American Affairs Under Secretary Dave Thomas, if he had thoroughly understood. "Because if you haven't," Delpech said, "there is no sense in these talks."

Since the British insisted on their position, the Argentine delegation decided not to continue with the meeting and they informed Foreign Minister Dante Caputo of the news, the source said.

According to what was learned from diplomatic sources, the British based all their arguments on a written document they had brought from London and they insisted that they could not stray from their instructions.

The Swiss officials who participated in the arrangement of these informal talks were "completely surprised" at the attitude of the British diplomats. The source did not reject the possibility of the Swiss Government "expressing to Margaret Thatcher its displeasure with the violation of preestablished guidelines."

Despite this outcome, at high government levels it is understood that "Argentina has given clear proof of its pacifist and open-to-negotiations stance, a position which is not shared by the British Government."

The goals of the Argentine diplomacy for these talks were twofold, as official sources have explained: "One, to establish the need to return the conflict to the prewar status quo; and the other, to prove to the international community the pacifist vocation of the government." In this regard, it is understood at official levels that both objectives have been met and Foreign Minister Dante Caputo received instructions from the president to prepare a diplomatic offensive in the UN seeking to take advantage of the British intransigence.

Reaction to British Statement

PY191616 Paris AFP in Spanish 1554 GMT 19 Jul 84

[Excerpt] Buenos Aires, 19 Jul (AFP) -- The Argentine Foreign Ministry did not definitively confirm or deny the announcement made this afternoon by the British Foreign Office that the Argentine-British talks on the Malvinas will continue. The Foreign Office announcement came in the wake of the Argentine disclosure that the talks had been interrupted.

Albino Gomez, official spokesman of the Argentine Foreign Ministry, asked by AFP, laconically said that "we abide by the terms of the communique" which Foreign Minister Dante Caputo himself read to the press earlier today.

Delegates Ordered Home

PY192127 Buenos Aires TELAM in Spanish 2106 GMT 19 Jul 84

[Text] Buenos Aires, 19 Jul (TELAM) -- Foreign Minister Dante Caputo has reported that the three Argentine delegates who were holding talks with their British counterparts in Bern have been instructed to return to their respective posts.

Caputo noted that Marcelo Delpech, Foreign Ministry under secretary for southern border affairs, will return to Rome, where he will continue to participate in the papal mediation over the Beagle conflict; Juan Carlos Katzenstein will remain in Bern as ambassador to Switzerland; and Minister Counselor Federico Mirres will return to Buenos Aires.

Caputo on Breakdown

PY192157 Buenos Aires TELAM in Spanish 2115 GMT 19 Jul 84

[Text] Buenos Aires, 19 Jul (TELAM) -- Foreign Minister Dante Caputo this afternoon stated that it must be made quite clear to the people and international public opinion that the Argentine Government does not reject a peaceful and negotiated solution with the United Kingdom regarding the conflict over the sovereignty of the southern archipelagos. Argentina is not an obstacle to negotiations. This was demonstrated by its decision to participate in the Bern talks with an open agenda, but to deny the nature of the conflict is to deny the conflict itself.

Answering several questions, Caputo made it clear that there had been no informal contacts and that the only thing that had occurred was an exchange of official notes between the two governments, which is now public knowledge, and the Swiss initiative in calling this meeting in Bern, which was made 20 to 25 days ago so the two parties could talk.

According to Caputo, there were some topics that the British Government wanted to discuss. This is the way the partial topics of the problem and the objectives of these topics in the Bern meeting were explained: a. The Argentine Government is fully committed to seeking a diplomatic solution of the conflict; b. No type of negotiation, if it is to be taken seriously and responsibly, can ignore the nature of the conflict; c. The Argentine Government is willing to contemplate all the problems on the condition that the main topic not be left out; d. The implementation of an open agenda, which was called an Argentine proposition for taking small steps, was the first step for this informal dialogue; and e. Argentine's position continues to be that of participating in the dialogue without any prior conditions, and this implies that Argentina is always going to bring up the topic of sovereignty.

According to the Argentine foreign minister, the British position of not accepting a discussion on sovereignty demonstrates an absolute lack of will to negotiate and that lack of will made the dialogue useless. In other words, this Argentine effort has not been answered.

Caputo said that as was stated in the communique released today, it was the intransigent British position upon beginning the discussions that precluded every possibility of dialogue. Caputo added: We are aware that a long path is still ahead of us and that the Bern events have strengthened the Argentine negotiating capability. He added that these events have proved that Argentina advocates negotiations, that Argentina cannot be held responsible for being inflexible, and that Argentina has proved its decision to honor its international commitments.

Regarding his upcoming visit to the United States, Caputo expressed his intention of talking with everyone and noted that we have started to work within the United Nations. He concluded by stating that Argentina has not adopted a maximalist position, but that the refusal to discuss the nature of the conflict has made any discussion unacceptable.

Explains Failure of Talks

PY200345 Buenos Aires TELAM in Spanish 0150 GMT 20 Jul 84

[Text] Buenos Aires, 20 Jul (TELAM) -- Foreign Minister Dante Caputo today held the British Government's inflexible and intransigent position regarding the subject of the sovereignty of the Malvinas Islands responsible for the failure of the direct negotiations between Argentina and Great Britain that were interrupted today in Switzerland.

Caputo stated that to agree to hold any negotiations that would not include the subject of sovereignty would mean establishing a very dangerous precedent for any future negotiation, and he justified the Argentine decision to start an informal dialogue with an open agenda and free of any prior conditions as a means to unblock the current situation regarding the controversy.

The foreign minister made these statements during a brief 10-minute talk at the Chamber of Deputies to explain to the legislators the frustrated meeting in Switzerland. He explained that the meeting between the Argentine and British delegates in Bern was the result of a Swiss initiative that concluded on 18 July, when it was proposed to us to try to achieve a rapprochement through an open agenda without prior conditions.

He maintained that the Argentine objective during the contact pointed toward unblocking the situation to establish a future schedule that would lead to formal negotiations on the conflict, but we made it clear that in no way could we develop a dialogue if the topic of sovereignty was excluded.

He then scored the British Government, indicating that it is unreal, not serious, and lacks responsibility in not acknowledging the main point of the litigation, that of sovereignty. He warned that the British must understand that diplomacy does not mean weakness and that democracy does not mean granting concessions.

Concluding, he stressed that we now have international proof that it is the intransigence and lack of flexibility of the United Kingdom that is preventing substantive negotiations.

His address was greeted with a loud barrage of applause from the Radical bloc, while the Peronist and Intransigent blocs accepted it coolly.

Caputo was accompanied by Elsa Kelly, under secretary for foreign relations.

ALFONSIN ACCEPTS BEAGLE NEGOTIATOR'S RESIGNATION

PY200311 Buenos Aires DYN in Spanish 0030 GMT 20 Jul 84

[Excerpt] Buenos Aires, 19 Jul (DYN) -- President Raul Alfonsin tonight accepted the resignation that General Ricardo Etcheverry Boneo (retired) submitted to him from the post of chief of the special mission to the papal mediation of the Beagle Channel. His action is evidently a demonstration of his disagreement with the course that has been taken in the most recent negotiations that have been carried out by the government seeking a solution to the southern dispute.

ORGANIZATIONS LOBBY AGAINST BEAGLE TREATY

PY191855 Buenos Aires DYN in Spanish 1307 GMT 19 Jul 84

[Excerpt] Buenos Aires, 19 Jul (DYN) -- Eight organizations that oppose the Vatican agreement with Chile regarding the Beagle conflict today urged congressmen not to approve any treaty because through it Argentina will relinquish "a large part of its national territory."

The document was forwarded by: Captain Jose Noziglia, president of the Argentine Sovereignty Institute; the Beagle and South Atlantic Movement, headed by Admiral Isaac Rojas; and the Studies Group of the Argentine Humanist Movement, headed by General Roberto Levingston.

It was also forwarded by: Beatriz Sanmartino, from the Territorial Affirmation Radical Group; the Movement for the Defense of Argentine Interests Over the River Plate Basin, headed by Juan Montero Bustamante; the Malvinas Islands and Argentine Southern Territories Institute and Argentine foundation [words indistinct]; and by the Argentine Geographic Studies Association, headed by Servando Dozo.

'NEVER AGAIN' PROGRAM AIRED IN CORDOBA PROVINCE

PY191530 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0020 GMT 19 Jul 84

[Text] Cordoba, 18 Jul (NA) -- The television station Channel 10 tonight aired the videotape of the "Never Again" program, which was produced by the National Commission on the Disappearance of Persons (CODEP), despite the telephone threats that the television station staff received throughout the day, pressing the station to cancel the transmission of this program on illegal repression in Argentina.

Channel 10, which is owned by the National University of Cordoba, started to air the program on 2300 as had been previously announced after the transmission was authorized by the Higher Council of the university.

Starting early in the morning the staff of the radio and television services of the university received telephone calls threatening bomb attacks. However, they decided to air the program as scheduled.

During the cast of this very same program in Buenos Aires and Greater Buenos Aires, Channel 13 in Buenos Aires was attacked with a dynamite stick that was hurled at the rooftop of the television station. The blast caused only minor damage.

It is felt that the broadcast of (?the "Never Again" program in the province) had broad repercussions because, as the CODEP members say, the illegal repression in Cordoba Province had "unprecedented levels" which could be verified by the long rolls of "detainees and disappeared."

Among the testimonies presented during the cast, the one that undoubtedly had the greatest impact, was that of Estalo Berategui, who was born in Cordoba Province. Berategui gave an account of her experience at the "La Perla" detention center which belongs to the III Army Corps. Berategui, a young woman, discussed in detail before the camera the tortures that her brother and her sister-in-law underwent there. "In La Perla they tortured my brother and then they showed him to me in order to torture me psychologically as well; on the last occasion I saw him alive, since he died there, I could only recognize him by his clothes, given his regrettable condition."

The program was also made up of the testimonies provided by Enrique Rernandez Meijide, Jorge Watts, Sara Wieschelbaum, Otilia de Remou, Adriana Calvo de Sotello, Isabel de Mariani, and Estale Barnes de Carlotto. The above-mentioned persons referred to their experiences, in some cases as fathers, mothers, or grandmothers of victims, and in other cases as direct victims of the repressive actions, since Watts and Mrs Calvo de Sotello themselves were detained [words indistinct].

ITAMARATY SPOKESMAN DENIES RAMIREZ VISIT VETO

PY130325 Rio de Janeiro O GLOBO in Portuguese 12 Jul 84 p 7

[Text] Brasilia -- Itamaraty spokesman Bernardo Pericas yesterday denied that the Brazilian Government has vetoed the visit to Brazil by Nicaraguan Sandinist government junta member Sergio Ramirez. The spokesman confirmed that the subject was raised by Nicaraguan Deputy Foreign Minister Jose Leon at his meeting with Saraiva Guerreiro. Pericas stated that because it deals with the visit of a chief of state, the subject must first be considered by President Figueiredo.

ABI-ACKEL REJECTS REQUEST TO RELEASE FIRMENICH

PY131805 Madrid EFE in Spanish 2249 GMT 12 Jul 84

[Text] Brasilia, 12 Jul (EFE) -- Brazilian Justice Minister Ibrahim Abi-Ackel today rejected a request for the release of Argentine Montonero leader Mario Firmenich, whose extradition to Argentina has been ordered by the Supreme Court. The request was submitted by a commission of Latin American politicians. Abi-Ackel, who met with the commission -- which is made up of 29 Latin American lawmakers and leaders of several human rights organizations -- refused to convey the commission's request of President Joao Figueiredo. The justice minister added that only Argentine President Raul Alfonsin who signed the request for the extradition that was officially submitted in February, can reverse the decision. Abi-Ackel allowed commission members to visit Firmenich at the federal police regional superintendency headquarters.

SWISS PROPOSE CONVERSION OF DEBT TO BONDS

PY191500 Rio de Janeiro O GLOBO in Portuguese 18 Jul 84 p 20

[Excerpts] Brasilia -- "This is evidence of the great confidence and high credibility that Brazil enjoys," Finance Minister Ernane Galveas said yesterday commenting on the proposal made by the Union of Swiss Banks to have Brazil transform part of its $2.5-billion debt with Swiss banks into bonds that will be sold on the Swiss market.

Galveas reported that the Swiss proposal is being reviewed by the government which is considering the advantages and disadvantages of the interest rates and the conditions of the Swiss market for negotiating the securities.

GOVERNMENT BUDGET PROPOSAL TWICE 1984'S

PY200050 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Jul 84 p 23

[Text] According to the new estimate made on 20 March, the federal budget for 1985 amounts to 63.1 trillion cruzeiros, almost double the 31.75 trillion cruzeiros budgeted for this year. Of the total 1985 budget, 20,503,400,000,000 cruzeiros are earmarked for specific areas, including 5,656,700,000,000 cruzeiros for the federal government, and 534.3 billion cruzeiros will be collected directly by the government. Funds allocated for states, municipalities, and the federal district will increase by 269 percent over this year's budget, due to Constitutional Amendment No 23 approved in December 1983.

Expenditures for personnel and social obligations have not been estimated at 27-59,000,000,000 cruzeiros, "but this does not provide for any salary readjustments." Current and capital expenditures have been estimated at 31,263,600,000,000 cruzeiros, which, in addition to unpostponable expenditures, cover the federal government commitments regarding amortizations and loans, obligations with participants in the Housing Financial System [Sistema Financiero de Habitacao] monetary benefits, subsidies and minimum prices, as well as the energy program.

These projections are included in the introduction to the budget 154/84 submitted to the president by Planning Minister Delfim Netto on 14 May and approved by the president on the same date. Figueiredo recommended that "the directives be observed by the organs that participate in the federal budgetary system in the preparation of their annual budget for fiscal year 1985, which is to be submitted to Congress by 31 August 1984 in compliance with the provisions of Article 66 of the Constitution."

According to the planning minister, "as in previous fiscal years, the 1985 budget proposal will be prepared in accordance with rigid and austere guidelines befitting the present circumstances, so that the budget, as an instrument of economic policy and governmental action, can effectively contribute to paring down the public deficit and curbing inflation."

Minister Netto said that the projected 63.1 trillion cruzeiros in revenue "is based on studies of the main economic-fiscal variables, considering inflationary deceleration and economic recovery, which began in 1984, especially in the industrial sector, as fundamental objectives."

In this regard, Frederico Bastos, Budget and Finance Secretariat [SOF] secretary, explained to O ESTADO that the projected 1985 revenue, which is double the projected 1984 revenue, does not mean that the government has estimated 100 percent inflation for next year, because the inflation-revenue relationship is not the same. In fact, in the introduction to the budget the planning minister warns that the projected federal revenue includes a series of measures adopted in the fiscal area that tend to increase tax revenues, especially from the income tax on capital gains.

Regarding expenditures, the government set down the following guidelines for organs that are part of the federal budget system?

1. New projects on activities cannot be started;

2. Ongoing projects, especially long-term projects, are to be rescheduled in accordance with available resources;

3. Rules for the participation of public organs in international organizations are to be reviewed regarding payments for membership or attendance at congresses, seminars, and meetings.

4. Subsidies to deficit-carrying state enterprises will be reduced, and such enterprises will have to reapportion their own resources, mainly for payment of expenses that cannot be postponed or reduced (administrative and operational expense), including the servicing of internal and external financing;

5. Federal stockholding participation in the capital of state enterprises, especially in those which are not in deficit, will be redirected into investment programs in order to obviate additional allocations of resources by the government.

More specific restrictive recommendations were made to offices charged with preparing the budget, including:

a) Avoid programs demanding acquisition, construction, expansion, reform, remodeling, or leasing of premises, as well as the acquisition of furniture or household equipment for houses of representative functionaries (the so-called perquisites);

b) Eliminate fringe benefits for employees, such as loans, and financing for houses and cars, even if they are needed for the exercise of the employees' functions;

c) Administer the use of vehicles for official business or personal transportation in the most effective way to reduce costs;

d) Ban the allocation of resources to regulatory agencies whenever these resources are to be transferred to executive agencies, because this procedure causes unnecessary financial operations which raise costs and make budgetary implementation difficult to follow.

Regarding the energy program, there is a special recommendation that its resources be channeled to short-maturity projects not requiring large investments that are likely to contribute to reducing external dependency.

The SOF secretary said that the general secretaries of the ministries and equivalent offices have already sent their budget proposals to the SOF and that these proposals are being reviewed to make them fit the general guideline that have been established.

The final budget proposal will be submitted to the planning minister by the end of July and he will then take it to the President for final approval. Once the president approves it, the budget proposal will return to the SOF, which will put it in its final form before it goes back to Planalto Palace to be submitted to Congress by 31 August 1984.

FIGUEIREDO MEETS PDS LEADERS, CRITICIZES NEVES

PY191340 Rio de Janeiro O GLOBO in Portuguese 18 Jul 84 p 2

[Excerpt] Brasilia -- During a meeting held yesterday at Planalto Palace, President Figueiredo warned the regional Social Democratic Party [PDS] leaders that the PDS runs the risk of being defeated by the opposition at the Electoral College if it is divided and should, therefore, be careful about choosing a candidate who is unable to unify the party.

According to an account relayed by Senator Aderbal Jurema, president of the Pernambuco state PDS, Figueiredo appreciated the fact that the leaders did not ask him to resume the command of the succession process and appealed to them that they not ask him to suggest a candidate. Figueiredo intends to support the nominee that the majority of the PDS conventioneers choose. Before the convention takes place, Figueiredo merely aims to "talk."

The president of the Republic feels that if Governor Tancredo Neves is elected to succeed him, Neves will not be in a position to control the forces which are supporting him, mainly the leftwingers, and that that will lead to an atmosphere of great instability in the country.

According to the accounts of Deputies Victor Faccioni (Rio Grande do Sul State) and Armando Pinheiro (Sao Paulo State), Figueiredo voiced the above-mentioned opinion during a 10-minute utterance. (Thereafter, presidential spokesman Carlos Atila confirmed that during the meeting Figueiredo voiced his concern over the possibility that Neves' election will tilt the country to the left.)

"I have no preferences for any PDS candidate and I do not have anything personal against Governor Tancredo Neves. I only understand that he will not be in a position to direct the people he leads because of radical and extremist excesses," Figueiredo said, as quoted by Faccioni. According to the account, during the meeting Figueiredo also said that the last thing he wants is to pass on the government to an opposition politician adding that he does not believe that Tancredo Neves is the best solution for the country.

FIGUEIREDO, NEVES HOLD COLD, TENSE MEETING

PY192339 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 19 Jul 84

[Text] Belo Horizonte -- President Joao Figueiredo and Minas Gerais Governor Tancredo Neves today held here the coldest meeting of the last few months. In a clearly tense atmosphere, Tancredo and Figueiredo met for 2 hours and 10 minutes, but did not talk much. Following the meeting, Tancredo Neves said that they did not talk about political issues and that the president did not even touch on the subject.

The Contagem industrial district was heavily guarded, even by Air Force helicopters. A small gropp of workers on strike was kept far away, and minor incidents between police and journalists were reported.

During a reception marking President Figueiredo's visit to Contagem, Tancredo and the president exchanged only a few words. Later, they exchanged formal greetings at Confins Airport.

PDS LIBERAL FRONT-PMDB AGREEMENT PENDING

PY191743 Rio de Janeiro JORNAL DO BRASIL in Portuguese 18 Jul 84 p 1

[Excerpt] The final agreement between the Liberal Front of the Social Democratic party [PDS] and the Brazilian Democratic Movement Party [PMDB] scheduled for Friday, 20 July, has been postponed to an as yet undetermined date upon a decision made by the top leader of the Liberal Front, Vice President Aureliano Chaves. Chaves commented with one of his friends that he is expecting "new developments" over the weekend. Chaves then relayed his decision to the PMDB leader at the Senate, Humberto Lucena (Paraiba), whom he asked for "about 3 more days."

VICE PRESIDENT CHAVES REPORTEDLY TO SUPPORT NEVES

PY191715 Sao Paulo Radio Bandeirantes in Portuguese 1535 GMT 19 Jul 84

[Text] Through a telephone call made to Governor Tancredo Neves, Vice President Aureliano Chaves told the latter that he had finally decided to support his presidential candidacy.

According to sources close to Neves, this information was later confirmed by aides close to Chaves. According to the same sources, Chaves also said that tomorrow's meeting with Social Democratic Party [PDS] leaders from Minas Gerais State in the (?Jaburu) Palace will precisely have the objective of formalizing the support to the opposition candidate.

At his office door, Chaves said that he does not think that he will withdraw his decision, made [words indistinct]. The politicians close to Neves went even further by confirming that the trend of the Liberal Front is to invite Senator Jose Sarney to join Tancredo Neves as his running mate.

Neves Denies Support Claim

PY200152 Porto Alegre Radio Guaiba in Portuguese 2150 GMT 19 Jul 84

[Text] Belo Horizonte -- Speaking like an elected presidential candidate, Governor Tancredo Neves today promised not to resort to repression either to smash the left or to defend the interests of the radical rightist sector.

He also gave assurances that he will make, and will not make [as heard] any concessions to whatever political sector if public order, the civil and military institutions, national security, or the sovereignty of the people are put in jeopardy.

Tancredo, who made this statement at Confins Airport, thus replied to the warning by President Joao Figueiredo that if elected by the Electoral College, Tancredo will not be able to control the leftist sectors that have supported him.

Tancredo Neves also denied that Vice President Aureliano Chaves has formally told him over the phone that he, Chaves, will support Tancredo's candidacy.

FOREIGN MINISTER ON ARGENTINE-BRITISH TALKS

PY191551 Paris AFP in Spanish 1532 GMT 19 Jul 84

[Text] Santiago, 19 Jul (AFP) -- Chilean Foreign Minister Jaime del Valle today stated that the Chilean Government had received a British report on the negotiations between Argentina and Great Britain on the dispute over the Malvinas Islands which have now been interrupted.

Del Valle noted that the report announcing the start of these negotiations in Switzerland was delivered on Wednesday by John Hickmann, the British ambassador to Chile. According to the Chilean foreign minister, the agenda of the Argentine-British negotiations, which were interrupted today, included mainly trade issues. Del Valle said that in view of this, Ambassador Hickmann was informed of the recent protest issued by Argentina regarding the resumption of Chilean trade to the Malvinas war.

The foreign minister said he considered as favorable for Chilean trade aspirations the fact that Argentina and Great Britain were to hold negotiations to try to solve those trade problems that resulted from the Malvinas war.

EXPULSION ORDER OF ORTEGA, INSUNZA UPHELD

PY181418 Madrid EFE in Spanish 2336 GMT 17 Jul 84

[Text] Santiago, Chile, 17 Jul (EFE), -- The Santiago Appeals Court today "upheld" the Supreme Court ruling through which Communist leaders Leopoldo Ortega and Jaime Insunza are to be expelled from the country.

The Supreme Court ruling modified a previous court decision which accepted an appeal that had been submitted by the lawyers of Insunza and Ortega through which they returned to the country.

In succeeding court proceedings, government lawyers were able to have the Supreme C Court decree the legality of the original Interior Ministry decision.

According to the appeals court decision, Insunza and Ortega can now be definitely expelled from Chile in keeping with presidential powers that are recognized by the Chilean courts.

Leaders Go Underground

PY191847 Santiago Domestic Service in Spanish 1730 GMT 19 Jul 84

[Excerpt] Government House sources have reported that Communist leaders Jaime Insunza and Leopoldo Ortega have gone underground. The sources, who added that up to now Insunza and Ortega have not been found, noted that at any rate the government will expel them from the country. However, they denied that the Marxist politicans will be banished.

SANTIAGO DEMONSTRATION PROTESTS TORTURE

PY1912115 Santiago Radio Cooperativa in Spanish 1715 GMT 19 Jul 84

[Excerpt] The Sebastian Acevedo Movement Against Torture today staged a 3-minute spontaneous demonstration in the squre located on (Lanoa) Avenue, near the Llama de la Libertad. Approximately 100 demonstrators, including priests, nuns, and laymen, displayed a sign that read: Yes to life, no to torture.

The demonstrators said that the Sebastian Acevedo Movement Against Torture will stage a demonstration today outside Government Palace to support the campaign Chile Defends Life, and to respond to the appeal made by the Chilean bishops to defend human dignity.

REPORTAGE ON ATTACKS ON CNI SITES BANK, OFFICE

CNI Office Fired On

PY191325 Santiago Domestic Service in Spanish 1100 GMT 19 Jul 84

[Report from our mobile unit by (Mario Reyne)]

[Text] A few minutes ago four unidentified persons in a red and white Datsun station wagon fired shots at a National Intelligence Center [CNI] building [words indistinct] threw a grenade which caused damages to windows and [words indistinct]. We repeat: Four unidentified persons who were in a red and white Datsun station wagon have fired shots at a CNI office located at the intersection of (Borgona) and Lopez Streets causing damages to the building.

CNI Issues Communique

PY192312 Santiago Radio Cooperativa in Spanish 1715 GMT 19 Jul 84

[Text] The Mapacho station of the National Intelligence Center [CNI] has been attacked with grenades, AK rifles, and shotguns. The CNI has issued the follow communique on the attack, which was perpetrated by unidentified individuals:

At 0710 CNI guards posted outside the station located at 1453 Santa Maria Avenue noticed that a group of men who had gotten out of a orange and white Datsun pickup truck [as received] were apparently planning to attack the CNI station.

The communique adds: The CNI personnel immediately reacted by firing shots at the subversive criminals with their service revolvers. The attackers only managed to hurl a grenade and to fire their rifles and shotguns as they were leaving the area. They did not injure anyone or cause any damage.

In the vicinity of the area, the communique adds, the following were found: one M-9 grenade fuse, shell casings for Soviet AK rifles, and cartridges for 16-mm shotguns.

The communique, which was released by the CNI Public Relations Department, concludes by stating that a vast operation is under way to identify and to arrest those involved in this terrorist attack.

Bank Office Bombed

PY200331 Madrid EFE in Spanish 0254 GMT 20 Jul 84

[Text] Santiago, 19 Jul (EFE) -- A bomb exploded tonight in a branch of the State Bank in this capital, damaging the ground floor of the building but causing no victims. The attack occurred at 2145 local time and is being investigated by personnel of the political police and Carabineros.

CRITICAL NOTE SUBMITTED TO PRF EXECUTIVE COMMITTEE

PY190312 Asuncion HOY in Spanish 18 Jul 84 p 8

[Text] HOY has been informed that a lengthy note questioning "the leadership of Euclides Acevedo and Ricardo Lugo Rodriguez," president and secretary general of the Revolutionary Febrerist Party [PRF], respectively, was submitted yesterday to the PRF national Executive Committee.

The note, which will be discussed tonight at the regular meeting of the PRF Executive Committee was signed by 11 current members of the PRF Executive Committee, 5 former PRF presidents, 12 secretaries general of committees, 45 delegates from the capital and the interior, and other party members.

The note submitted yesterday states: "Everything led us to believe that this Executive Committee you lead (addressing PRF President Euclides Acevedo) would work without major difficulties in cooperation with all of its members. Yet from the very beginning, it became apparent that only a few members of the Executive Committee, who became known as the 'party bureau,' dealt exclusively with major political issues and foreign relations, thus precluding other members from participating in these areas."

The note also states: "In a session held without the required quorum, the Executive Committee decided to fire a secretary and two department directors. Invalid resolutions are considered as nonexistent, and thus they cannot be validated. What is nonexistent and null is of no value."

The note also directly accuses the PRF president and secretary general "of making remarks and extending invitations to sectors of opinion which, as a matter of principle, cannot discuss political issues. While in Madrid, Acevedo called upon all Paraguayan political forces, the military, and the church, and even the U.S. Embassy, to seek solutions to the country's problems."

The accusation brought against Lugo Rodriguez is that of having extended "a public invitation to the government and to the military to hold a dialogue to seek who knows what political solutions"in a speech he made on 1 March.

The note adds that "these positions reflect erroneous interpretations of the PRF Declaration of Principles and are contrary to the political line adopted at the last PRF convention." It adds that "the supporters of this regime can in no way claim that they are qualified to seek patriotic solutions. Either someone is lying now or we are denying the long-standing PRF position with regard to the lack of honesty of those men responsible for this regime. Regarding the invitation extended to the U.S. Embassy, this was a gross mistake that has ridiculed the party by asking representatives of a foreign power to discuss an issue with the PRF president, a situtation which no PRF member has ever tolerated."

Regarding the sanctions imposed on some of its members by the Executive Committee, the note says: "We are now following the methods of obedience and arbitrariness used by the government." It adds that "the sanction imposed on the director of the Social Assistance Department, (Gustavo Garcia), has no precedent in PRF history, both in form and substance. He was not tried, not even summarily; no evidence was produced to prove the fault he allegedly committed; he had no opportunity to defend himself; and finally, the unfortunate mistake of firing him was made at a session from which he was absent."

The note adds that "other members of the Executive Committee have left it after enduring inconsiderate treatment" and in protest of its vertical, autocratic structure.

Finally, the signatories of the note asked the PRF Executive Committee "to urgently enforce the PRF convention resolutions concerning the PRF national and international political line; to declare as invalid the alleged resolution by which our fellow party members Oscar Merlo, Jaime Ortiz, and Gustavo Garcia were separated from their posts; and to immediately reinstate them."

MINISTER OPTIMISTIC AS AIR TALKS WITH U.S. BEGIN

PY181355 Lima Cadena Panamericana Television in Spanish 0315 GMT 18 Jul 84

[Text] Today Peruvian Minister of Communications and Transportation Carlos Pestena said he is optimistic about a prompt, satisfactory agreement between the Peruvian and U.S. civil aviation officials to resume commercial air traffic between the two countries.

He indicated that the second round of negotiations, which began in Lima today, will provide the opportunity to find points of agreement at the diplomatic and political level for a prompt and effective solution to the impasse. U.S. Ambassador David Jordan said he has hope and faith that the dialogue, taking place in Lima will reach a new air agreement. The first round of negotiations was held 25-27 June in Washington, where no agreement was reached.

MINISTER PERCOVICH NOT PLANNING TO LEAVE POST

PY191553 Lima Television Service in Spanish 0430 GMT 19 Jul 84

[Text] Interior Minister Percovich today said that he is not thinking of leaving his post but that if and when President Belaunde asks him to it he will do so. In reference to the recent resignation of engineer (Jose Terry) as government director general, Percovich said:

[Begin recording] [Percovich] Engineer (Terry) resigned because he is now working for Electroperu [Peruvian State Electric Power Enterprise]; therefore, there is no other reason for a change of post. We are now studying who will replace (Terry). As this is a post of great responsibility we will take great care in making careful selection.

[Unidentified reporter] Are you planning to leave the cabinet?

[Percovich] Am I leaving? Well, this depends on the president. When the president believes that my presence in the cabinet is no longer necessary I will return to Congress. [end recording]

GOVERNMENT TEMPORARILY INCAPABLE OF PAYING DEBT

PY191523 Lima Diplomatic Information Service in Spanish 0556 GMT 19 Jul 84

[Text] Dr Rodrigo Cepeda, president of the Peruvian Foreign Debt Commission, has told creditor banks in New York that Peru is temporarily incapable of paying interest on its foreign debt because it has been unable to obtain enough funds to buy dollars as a result of the 3-week strike by copper workers.

POLITICIANS DOUBT FOREIGN DEBT CAN BE REPAID

PY192234 Madrid EFE in Spanish 1844 GMT 19 Jul 84

[Text] Lima, 19 Jul (EFE) -- Political leaders have said that Peru, which has to deal with both its economic problem and the subversive actions being staged by the Shining Path, will not be able to repay its debt. While the government is trying to resolve these two big issues, press reports, among them those published by the official newspaper LA CRONICA, indicate that 170 people have been killed in the southern Department of Ayacucho, allegedly murdered by Shining Path members in an unprecedented wave of violence that began on 22 June 1984.

Lawmakers of several Peruvian parties have said that under these circumstances, Peru will not be able to repay its foreign debt, taking into account that the country has already postponed the payment of $30 million in overdue interest. Senator Roman Ponce de Leon, a member of American Revolutionary Popular Alliance, APRA, a leftist democratic party, has said that the interests of the Peruvian workers are more important than repaying the foreign debt.

United Left Senator Carlos Malpica has voiced the same opinion. Senator Mario Polar, of the conservative Christian Popular Party, has said that the problem of postpoining the repayment of the debt is only a matter of time and that it will be solved. Senator Gaston Acurio, the ruling Popular Action party, who is also the chairman of the joint budget committee of the Peruvian Congress, supported Polar's opinion.

While the Peruvian Government expects to increase nontraditional exports from $600 million to $1.2 billion, the industrial sector claims that the new 17-percent tax that the government has levied on bank interest rates has led it to the brink of bankruptcy, with the possibility of forcing the dismissal of 55,000 workers.

The government imposed the tax to raise funds for the salary readjustments that were recently granted to state-run school's teachers and to public servants. It has also been said that "antisubversive bonds" may be issued to finance the struggle against the Shining Path. Faced with considerably lower tax revenues during the first months of the year, the government is badly in need of money.

Meanwhile, the Armed Forces are awaiting a political decision by the government to fully engage in the antisubversive struggle. Air Force Commander Lieutenant General Enrico Raeli has said that there is a consensus within the Armed Forces to assume full control of the struggle against the Shining Path. He said that the Armed Forces have not been fully engaged in the struggle against subversion and that "they are only awaiting the political order to enter into action."

In the meantime, the Army has occupied the facilities of the Cobrizu copper mine in the southern Department of Huancavelica to prevent a possible attack from a Shining Path force. The Army has also engaged in skirmishes with the terrorists in Ayacucho and, according to unofficial reports, has killed hundreds of them.

Energy and Mines Minister Juan Inchaustegui has said that landmines will be placed around high tension towers to prevent terrorists from blowing them up. High tension towers have been a regular target of Shining Path attacks, because the terrorists take advantage of the resulting blackouts to stage actions in Lima and other cities. Interior Minister Luis Percovich has announced that 50 persons have been detained. He revealed that among the detainees are those who last Monday blacked out Lima, the fifth such action staged by the Shining Path.

AIR FORCE COMMANDER ON ANTITERRORIST FIGHT

PY191350 Lima Cadena Panamericana Television in Spanish 0315 GMT 19 Jul 84

[Text] Air Force Commander General Cesar Enrico Praelli today said that the Armed Forces are not yet fully participating in the struggle against subversion.

He disclosed that to do that the Armed Forces are only waiting for a decision from President Belaunde.

[Begin recording] [Unidentified reporter] Do you believe that the Armed Forces should take complete control over the more agitated areas where subversion is carrying out its activities?

[Praelli] As I said this must be thoroughly studied because as I have said on previous occasions the enemy we are facing is like an invisible enemy. The Air Force and the Armed Forces in general are trained to confront a visible enemy but in this case, the case of subversion, they attack and disappear, therefore we do not know what target we are going to attack. The Armed Forces must then prepare a plan, which is under study, to see how we can counteract this subversive action.

[Reporter] When will this plan be ready?

[Praelli] Well, I believe that this depends on a political decision. The joint command is studying this plan to put it into action as soon as the political decision for its implementation is given to the Armed Forces [words indistinct].

[Reporter] Do you think an agreement has been reached for the Armed Forces to become fully involved in this struggle?

[Praelli] We in the Armed Forces have agreed on this a long time ago. We are only waiting for the political decision. [end recording]

INTELLIGENCE SERVICE REPORTS ON TERRORISM

PY191330 Madrid EFE in Spanish 1817 GMT 18 Jul 84

[Excerpts] Lima, 18 Jul (EFE) -- According to the Peruvian Intelligence Service 1 out of every 10,000 Peruvians belong to the subversive organization Shining Path. Lima Prefect Arturo Arrarte today said that according to the evaluation made by the intelligence service there are 1,800 to 2,000 terrorists in Peru.

Arrarte reported that about 600 people were arrested in relation to the terrorists attacks last Monday when Lima was left in the darkness for the fifth time since 1980. The losses created by the attack were estimated at about 3 billion soles (about $8$2,000).

The newspaper EXPRESO today said: "How is it possible that Electroperu [Peruvian State Electric Power Enterprise], totally infiltrated by terrorists elements, has not yet been militarized?"

This newspaper requested that the Air Force carry out a "dragnet" operation in the areas of terrorist activities, that the Army carry out night patrols in Lima and other cities, that a state of siege be established in the territory, and that advice from democratic countries successfully fighting terrorism be sought.

EXPRESO also said that Peru must break relations with the PLO and the GDR, and that an investigation must be carried out on the activities of Soviet and Cuban diplomats in the country. It has also been reported that 18 terrorists were killed near Santa Rosa, Ayacucho Department, by the Army, and that a curfew was established in Huancavelica, southeastern Peru, in the Cobriza mining zone in view of the presence of subversive groups.

In Huancavelica the terrorists entered a temple in Caudaloso Grande, Castrovirreyna Province, where 20 Shining Path members evicted about 100 people after which they exploded a bomb under the image of the Virgin Carmen which was destroyed.

SENATORS REACT TO COMMUNIST PARTY COMMUNIQUE

PY191548 Lima Television Service in Spanish 0430 GMT 19 Jul 84

[Text] The end of aggression called for by the Communist Party in a communique published in a newspaper today was repudicated by Senators Edmundo Murrugara, Castro Lavarello, and Carlos Malpica.

[Begin recording] [First unidentified senator] I find that the terrorist attacks are part of the growing violence being carried out by leftist sectors like the Shining Path group which says that the presence of the Soviet Union in the country is harmful for the country and the workers.

[Second unidentified senator] I would first like to protest the attack on the Aeroflot office because this company is serving the country, it is an important means of communication, like the NOVOSTI agency. I have no proof that paramilitary groups carried out the attacks.

[Third unidentified senator] I do not know what basis was used by the Communist Party to make these charges [words indistinct]. [end recording]

ARMY, TERRORISTS CLASH IN AYACUCHO DEPARTMENT

PY1800326 Madrid EFE in Spanish 0300 GMT 18 Jul 84

[Text] Lima, 17 Jul (EFE) -- Police sources today reported that 18 terrorists died in a shoot out with the Army in the locality of Santa Rosa, located in the Andean Department of Ayacucho. The report does not give major details, but it states that an Army patrol confiscated explosives and subversive propaganda that was being carried by the alleged Shining Path members who were killed in the firefight.

BRIEFS

USSR DONATES MACHINERY -- Lima, 10 Jul (AFP) -- President Fernando Belaunde today received in Lima some heavy-duty machinery donated by the Soviet Union worth $500,000. The equipment includes two bulldozers, two earth-moving tractors, and several loaders that will be used in the irrigation and road maintenance work in Lambayeque, some 800 km north of Lima. [Text] [Paris AFP in Spanish 0239 GMT 11 Jul 84 PY]

ALVAREZ, MAESO MEET GABONESE FOREIGN MINISTER

PY191757 Montevideo Radio El Espectador Network in Spanish 1600 GMT 19 Jul 84

[Text] Gabonese Foreign Minister Martin Bongo has stated that Gabon is studying the possibility of trading with Uruguay. Martin Bongo has had several contacts with Foreign Minister Maeso and he was received by the president of the Republic at noon today. At the end of the meeting, Martin Bongo indicated that his country produces oil and minerals and that it is interested in Uruguayan livestock and agricultural products.

SOLARI, SUAREZ REPORTEDLY TO DEFEND FERREIRA

PY191825 Montevideo Radio El Espectador in Spanish 1900 GMT 19 Jul 84

[Excerpts] Former Spanish President Adolfo Suarez and Argentine roving Ambassador Hipolito Solari Irigoyen could soon join the group of Wilson Ferreira Aldunate's defense lawyers. During a conversation with Radio El Espectador, Solari Irigoyen neither denied nor confirmed this information, which was learned in Montevideo this morning.

We have learned from our journalists that Adolfo Suarez will arrive in Buenos Aires and that he will reportedly travel to Montevideo next week.

Answering a question posed by El Espectador, Solar Irigoyen said:

[Begin recording] [Solari] There is nothing in particular to tell you except that both Adolfo Suarez and myself, the same as many other democrats from our continent and Europe, are looking forward to contributing to Wilson Ferreria Aldunate's release. We believe it is a just cause, because we cannot accept that a civilian be tried by military courts.

[Unidentified reporter] Will Adolfo Suarez travel directly to Montevideo or will he go to Buenos Aires to talk with you first?

[Solari] I am not totally sure about that but I think he will come to Buenos Aires first.

[Unidentified reporter] Have you already contacted Dr Rodolfo Canabal, who is Ferreira's principal attorney?

[Solari] No, no, we have not yet contacted him. For this reason, I cannot confirm the report you have just mentioned to me.

[Unidentified reporter] But you are not denying it, either, are you?

[Solari] I can't deny it because there is a possibility of increased efforts to obtain the release of a man we think is a prominent personality in Latin America and in the Western world.

[Unidentified reporter] Dr Solari, on what date are you expecting Adolfo Suarez?

[Solari] I believe he will arrive in the next few days, or probably in the next few weeks. [end recording]

GOVERNMENT ENCOURAGES EXPATRIATES TO RETURN

PY181835 Asuncion Red Privada de Teledifusora Paraguay Television in Spanish 1600 GMT 18 Jul 84

[Text] We have received a communique from the Uruguayan Embassy. It is a communique of the Ministries of Interior, Foreign Affairs, National defense, and Justice. It says:

In consideration of the interest expressed in the situation of Uruguayan citizens or foreigners who for various reasons no longer reside in our national territory, the Government of the Republic of Uruguay would like to communicate that those who are willing to return can do so under the protection of current legal regulations. They can bring their personal belongings, tools, etc., which were purchased or used in the countries where they currently live.

In order to return all they have to do is to consult with the Uruguayan diplomatic representation or consulate in the city where they live or in the one closest to them. These offices will process all the paperwork and will provide the document required for this purpose including, if requested, a document given by an authorized national official certifying good conduct in order to help them return to Uruguay. More information can be obtained in Asuncion by calling telephone number 25022 at the Uruguayan Consulate.

INTERIOR MINISTRY RELEASES EL DIARIO JOURNALIST

PY181435 Montevideo EL DIARIO in Spanish 13 Jul 84 p 3

[Text] Journalist Enrique Crespo, editor of our international editions and the Sunday magazine and commercial manager of the newspaper, was yesterday released by the Interior Ministry. crespo Frias was arrested on 2 July and was held for 10 days with 15 other people.

DEMONSTRATORS SEEK POLITICAL PRISONERS' RELEASE

PY190107 Montevideo Radio Carve in Spanish 0000 GMT 19 Jul 84

[Text] Several thousand people held a demonstration in downtown Montevideo this evening that ended without incident. It was organized, among others, by the National Party, the Broad Front, the Interunion Workers Plenum, the United Federation of Mutual Help Housing Cooperative, and the Peace and Justice Service. The purpose of the demonstration was to demand amnesty, liberties for political parties, and the freeing of political prisoners.

The demonstration, staged along Montevideo's main avenue, coincided with the end of a 10-day fast carried out by representatives of the previously mentioned organization who were demanding the release of political prisoners and that of terrorist Adolfo Wassen.

Police forces in Durazno City have arrested two people who were demanding the release of Wilson and Juan Raul Ferreira in a public square. They were identified as Blanco Party leader Hugo Luis Apolo and SUCESOS magazine journalist Carlos Roman. They were arrested displaying posters at Sarandi Square in Durazno City. Two other local leaders of the Blanco Party were also arrested.

Demonstration Repressed

PY192035 Montevideo Radio Carve in Spanish 0930 GMT 19 Jul 84

[Report from Raisandu]

[Excerpts] As this station announced earlier, we report that: A civic demonstration made up of 4,000 people displaying party flags in Constitution Plaza who later marched down 18 July Street toward Artigas Plaza, turned into a serious riot when the police started to break up the march.

It was officially reported that a communique from police headquarters said: The events that took place during the last few hours of 18 July, in spite of a police edict released on the evening of 17 July forbidding marches and demonstrations on the streets, resulted in one wounded police officer and one damaged police vehicle. This provocation took place with the approval of some local politicians. We announce that any future attempt to disrupt public order will be severely repressed. The communique is signed by Paisandu Police Chief Colonel Juan Roberto Costa.

Two reporters from the newspaper EL TELEGRAFO are being held at a police station. There has been no official report on their status. We immediately contacted the director of EL TELEGRAFO and were told that (Artemio Ismael Montero) and (Claudio Fachin), two staff reporters of that newspaper, are being detained. No information on them has been released, even though EL TELEGRAFO and other news organizations have tried to obtain information on the reason for their detention. Colleagues of (Montero) at EL TELEGRAFO told us that he was taken from the newspaper offices to the police investigations department, where he is being held.

We repeat that this happened last night in Paisandu with the following results: one wounded policeman, tear gas hurled at the demonstrators, hundreds of people detained, and a serious disturbance in our city caused by the rally organized by the Intersectorial Group of Paisandu.

BLANCO PARTY LEADERS ARRESTED IN RURAL CITIES

PY200153 Montevideo Radio Carve in Spanish 0000 GMT 20 Jul 84

[Text] Several Blanco Party leaders were detained in rural cities this afternoon. In Durazno, police detained Jose Carlos Hernandez and Miguel Montero, who were demonstrating with banners in Sarandi Square. Something similar happened in Minas, where Gaston Bustamante, Gaston Elola, and five other persons were arrested while demanding the release of Wilson Ferreira and his son Juan Raul in a public place.

In the meantime, reports datelined Florida indicate that two other Blanco Party leaders have been arrested by police.

EL DIA CRITICIZES REAGAN OVER INTEREST RATES

PY190025 Montevideo EL DIA in Spanish 8 Jul 84 p 6

[Editorial: "Reagan's Refusal"]

[Text] Despite the virtually unanimous international position that the Reagan administration should take prompt action to reduce interest rates in the U.S. economy and repeated allegations about the impact of U.S. economic policy -- the combination of a high budget deficit with monetary restrictions to keep inflation down at a time of accelerated reactivation -- the U.S. President is continuing to refuse to have his government make the slightest effort to achieve this objective.

Reagan recently made a statement to this effect when he said that although he disagreed with the prevailing high interest rate, he did not plan to take any action to stop its upward spiral. Defending the position of his administration, Reagan denied that his government is responsible for this situation and, instead, blamed economic agents themselves for stimulating excessive inflationary expectations. He said that continuing high interest rates cannot be justified at a time when inflation has been sharply reduced and an anti-inflationary policy is being firmly implemented, basically through the Federal Reserve Bank which increases monetary supply strictly on the basis of productivity and economic activity.

Thus, Reagan once again dispelled any hope of bringing U.S. interest rates down, and further interest rate increases are already being predicted. The desperate position of Third World debtor countries, especially those from Latin America, is becoming increasingly worse. These countries have no effective mechanism to shake off their dependency on the U.S. "prime rate," its upward trend, and its devastating effects on their economies, which have been forced to the brink of collapse.

BRIEFS

TRADE BALANCE WITH FRANCE -- According to information released by the French Embassy, the Uruguayan-French trade balance of 1983 showed a surplus of 107,351,000 francs, some $12.3 million, in Uruguay's favor. In 1983 trade exchange between the two countries dropped by 79,394,000 francs. [Summary] [Montevideo EL DIA in Spanish 12 Jun 84 p 6 PY]

TRADE WITH GREAT BRITAIN -- In 1983 Uruguay recorded a $24,085,904 surplus in its trade with Great Britain. According to reports issued by the trade department of the British Embassy, in 1983 Uruguay exported to the United Kingdom products totaling $41,848,738. In turn, Uruguayan imports from Great Britain for 1983 totaled $17,762,834. [Excerpts] [Montevideo EL DIA in Spanish 24 Jun 84 p 13 PY]

PRICE INCREASES -- Montevideo, 10 Jul (TELAM) -- During the first half of 1984 prices in Uruguay have increased 32.56 percent. In the past 12 months, prices have increased 56.2 percent. [Excerpt] [Buenos Aires TELAM in Spanish 2200 GMT 10 Jul 84 PY]

LIVESTOCK REDUCTION -- Captain Eliseo von Rio, director of the National Bureau of Livestock, Local Production, Cattle Brands and Earmarkers, has reported that the Agriculture Ministry detected a substantial livestock reduction in 1983. He said that there were 9,804,000 cattle and 20,447,000 sheep on 30 June 1983. Von Rio explained that the cattle population dropped by approximately 13 percent and that the sheep population grew by approximately 1 percent. He added that some 700,000 cattle and more than 1,000,000 sheep died in the third quarter of 1983. [Summary] [Montevideo Radio El Espectador Network in Spanish 1600 GMT 28 Jun 84 PY]

DE LA MADRID DESIGNATES NEW AGRICULTURE HEAD

FL182328 Mexico City NOTIMEX in Spanish 2238 GMT 18 Jul 84

[Excerpt] Mexico City, 18 Jul (NOTIMEX) -- Mexican President Miguel de la Madrid today designated Eduardo Pesqueira Olea as the new secretary of agriculture and hydraulic resources. Pesquerira Olea had been director of the National Bank of Rural Credit. The resignation of former Agriculture and Hydraulic Resources Secretary Horacio Garcia Aguilar was announced today. This is the first time, since President De la Madrid assumed power in December 1982, that a secretariat position has been changed. Until now only under secretaries of state had been changed.

CONGRESS TO CONGRATULATE NICARAGUA ON ANNIVERSARY

FL191432 Mexico City NOTIMEX in Spanish 0135 GMT 19 Jul 84

[Excerpt] Mexico City, 18 Jul (NOTIMEX) -- The Mexican Congress Permanent Commission agreed today to send a congratulatory message to the Nicaraguan Junta of National Reconstruction on the occasion of the fifth anniversary of the triumph of the Sandinist revolution in that Central American country.

NEW NICARAGUAN ENVOY ON U.S. NEGOTIATIONS

FL192224 Mexico City NOTIMEX in Spanish 1920 GMT 19 Jul 84

[Text] Mexico City, 19 Jul (NOTIMEX) -- Nicaragua's new Ambassador to Mexico Edmundo Jarquin has said that Nicaragua will not align itself with the Soviet bloc and will make an effort to search for peaceful negotiations with the United States within the Contadora Group framework.

On the Contadora Group, in an interview with EL UNIVERSAL, Jarquin said that one of Contadora's main reservations is that the United States does not belong to the group, when it is the main actor in Central America's conflicts.

Jarquin said that peace could shortly be achieved in the region if the U.S. Government would withdraw its troops, dismantle its enormous military complex in Honduras, suspend its financing of logistics to former Somozist guards, and abandon its plan to overthrow the Sandinist revolution.

The Nicaraguan diplomat said the new government's priorities should be to continue defending the country against U.S. aggression, while deepening peace initiatives with the Contadora Group and bilateral negotiations with the U.S. Government. Jarquin added that Somoza had acted as a geopolitical key for the United States in this region, and that that was why his overthrow altered Central America's patterns of stability which had been the basis of repression.

He said that within this framework, the triumph of Nicaragua's revolution showed the viability of success for other Latin American popular forces, thus showing how the revolution is the most important event toward understanding the Central American reality in its totality. Jarquin underscored that Nicaragua had entered into a process of democratization which would definitely establish the new leader's position -- presidential elections will be held in November for a 6-year term which will secure Nicaragua's political stability.

ORTEGA DEPARTS FOR UNCTAD MEETING IN GENEVA

PA181833 Panama City Televisora Nacional in Spanish 2300 GMT 17 Jul 84

[Text] Panamanian Foreign Minister Oyden Ortega has left for Geneva, Switzerland, to participate in the UNCTAD meeting on open [ship] registries.

MEMBERS OF CULTURE, EDUCATION WORK GROUP LISTED

PA182022 Panama City LA ESTRELLA DE PANAMA in Spanish 18 Jul 84 pp 1A, 10A

[Text] One of latest work groups recently installed by Panamanian President-elect Dr Nicolas Ardito Barletta was the culture and education group, which recently began its work at the Boquete Room of the Atlapa Convention Center.

The creation of these work groups comes in response to the president-elect's need to have a complete, rational and concise report of the actual and specific needs of his corresponding areas of work, and a series of specific recommendations on the measures that the new government should and must put into effect in order to comply with his electoral commitments contained in the government platform.

The complete list of the work groups that comprise the areas of preschool, primary, and secondary education; higher and university education II; investigation, science, and technologyIII; special education IV; strengthening of national identity V; cultural activities VI; and work training follow.

It is important to point out that the work groups for the provincial commissions will be announced this week.

Preschool, Primary, and Secondary Education

Coordinator Manuel Solis Palme, Secretary Petra Bendinhug G., Diego Dominguez Caballero, Juan Bosco Bernal, Antonio Espino, Itzel Velasquez de Cortes, Brunilda Sierra de Vergara, Elda Maud de Rodriguez, Jose Bonamico, Marita Ramirez de Garcia, Carolina Montenegro, Marcela de Camargo, Abel Acosta, Angela Moreno de Pinzon, Deidamia de Batista, Carlos de Castro, Francisco Perez Jaramillo, Eduardo Valdes son [hijo], Nivia Echeverria, Elvia Miranda de Ortiz, Nancy Rodriguez de Wong, Ana Maria Arosemena, Ramon Varela, Algis Borrero, and Javier Solis, legislator.

Higher and University Education II

Coordinator Octavio Sosa, Secretary Victor Barragan, Franz Garcia de Paredes, Angela de Fabrega, Jorge Luis Quiros, Octavio Dominguez, Justo Medrano, Laura Arango, Demetrio Miranda, Ilma Abood de Tobon, Jorge Arosemena, Manuel Solis Palma and Heszel Klepfisz.

Investigation, Sciences, and Technology III

Coordinator Victor Levy, Secretary Maritza Salazar, Diego Navas, Enrique Noriega, Rosa Crespo de Britton, Blanca Calvo de Hernandez, Gilberto Ocana, Nestor Porcell, Miguel Kourany, Alejandro Vernaza, Abdiel Adamas, Rodolfo Fogarty, Diana Chen, and Ricardo Fletcher.

Special Education IV

Coordinator Ruben D. Fabrega, Secretary Juan Medrano, Maritza Carlos Arrieta de la Hoz [as published], Carlos Castro Francisco Perez Jaramillo. Eduardo Valdes son [hijo] Nivia Echeverria, Elvia Miranda de Ortiz, Nancy Rodriguez de Wong, Ana Maria Arosemena, Ramon Varela, Algis Borrero, and Javier Solis, legislator.

Strengthening of National Identity V

Coordinator Roberto de la Guardia, Secretary Julio Arosemena, Jorge Conta Porras, Roberto Hernandez, Alberto Smith, Aristides Martinez, Rolando Fung, Eduardo Ritter A., Diego Dominguez C., Demetrio Toral, Rene Brenes, Ismael Garcia, Ernesto Castillero Pimentel, Nils Castro, and Rafael Moscote.

Cultural Activities VI

Coordinator Jaime Ingram, Secretary Miguel Montiel, Eric Wolfschoon, Pedro Rivera, Guillermo Trujillo, Rodrigo Miro, Dora de Zarate, Alvaro Menendez Franco, Ramon Arosemena, Telma de Carrizo, Graciela de Eleta, Isabel de Naccio, Justo Arroyo, Rogelio Sinan, Enrique Jaramillo Levy, Margo Fonteyn de Arias, and Jorge Ledesma.

Work Training

Coordinator Jose F. Cardona Mas, Secretary Carmen Guvara, Juan Ramon de Roux, Aurora de Zamora, Roberto Vallarino, Enrique Riley, Ricardo Varela, Rami Attie, Rebeca de Rojas, Boanarges H. Giron, Francisco Sanchez, Rodolfo Cardoze, Franco Beliz Cherigo, Ricardo Munoz Tejeira, Aura Russo, Adolfo Sanchez, Manuel Gonzalez, and Fernando Burillo.

BRIEFS

NEW AMBASSADORS -- His Excellency Guillermo Vega, the new Panamanian ambassador to the UK, has presented his credentials to Queen Elizabeth II. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 1 Jul 84 p A-15 PA] The Panamanian Government has designated Dr Everardo Bosquez de Leon as new extraordinary and plenipotentiary ambassador to Venezuela. [Summary] [Panama City LA REPUBLICA in Spanish 1 Jul 84 pp 1-A, 8-A PA] Dr Angel E. Riera D., the new Panamanian ambassador to the FRG, has presented his credentials to FRG President Karl Carstens. Riera was formerly Panama's alternate representative to the United Nations. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 6 Jul 84 p 44 PA]

EL SALVADOR

PRESIDENT DUARTE MAKES WEST EUROPEAN TOUR

For DPA, AFP, and other West European-source media reportage on the visit to the Federal Republic of Germany, France, Belgium, Portugal, and the United Kingdom by President Jose Napoleon Duarte, including his meetings with FRG Chancellor Kohl and French President Mitterrand, see the 16 July Western Europe DAILY REPORT and subsequent issues.

REPORTAGE ON ARMY-GUERRILLA MILITARY ACTIVITY

Clash in San Miguel

PA192141 San Salvador Radio Cadena Sonora in Spanish 1730 GMT 18 Jul 84

[Jorge Guadalupe Soto report from Santiago de Maria -- recorded]

[Excerpts] An unofficial Army report received in our offices states that Army troops were ambushed this morning by FMLN guerrillas. The ambush, which resulted in heavy fighting between troops from San Miguel and the FMLN guerrillas, took place near Hualama Canton, San Miguel Department, on the road to Ciudad Barrios. Civilians traveling from the area of the attack have said that seven trucks transporting Army troops were traveling to Ciudad Barrios when a mine exploded. The rebels immediately began firing on the vehicles. The soldiers fired back, and a bloody battle ensued. It has also been said that one soldier was killed and four others were wounded. They are being treated at San Miguel's social security hospital. Three rebels were killed during the attack. Hualama Canton, on the road to Ciudad Barrios, is approximately 25 km northeast of the city of San Miguel. Meanwhile, the Pan-Americana, Coastal, and Military Highways are being heavily guarded.

New Antiguerrilla Operation

PA200127 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 19 Jul 84

[Text] Yesterday afternoon, some 5,000 troops from battalions specializing in antiguerrilla warfare began an operation covering the Departments of Cuscatlan, Chalatenango, and Cabanas. According to military reports, this operation is aimed at destroying camps of guerrillas operating in those area. These guerrillas are part of a group that attacked the Cerron Grande Hydroelectric Dam a month ago. The troops are supported by artillery troops and the Air Force in this operation. Civilian and military reports state that so far, after 24 hours, the operation is a success, but the number of casualties on either side has not been reported.

The Salvadoran Air Force last night attacked rebel positions on Guazapa Volcano in a special raid, according to civilian and military reports. A group of helicopters and planes bombed insurgent positions, especially the hillsides of the eastern and northern areas, where the guerrillas operate at night. They were attacked unexpectedly by the Air Force last night. Residents near Guazapa Volcano said that the Air Force used flares to search for the subversives, who continued to search for food in the area and to come out to the highway to demand war taxes from motorists on a regular basis.

33 'Subversives' Surrender

PA200117 San Salvador LA PRENSA GRAFICA in Spanish 19 Jul 84 pp 2, 61

[Excerpt] A total of 33 subversives, including combatants and civilians, surrendered yesterday to military authorities in Sensuntepeque, Cabanas Department. They turned over their weapons and swore to return to their homes, to work, and to society. They had fought for several years with extremists operating in the hills of Santo Tomas, Sensuntepeque, and decided to abandon the subversive ranks because they were tired of suffering, frustration, punishments, threats, etc. According to reports from Sensuntepeque residents, 15 combatant subversives and 18 accomplices surrendered to the authorities.

FMLN-FDR MEMBER PROPOSES UNCONDITIONAL DIALOGUE

PA191240 Madrid EFE in Spanish 0808 GMT 19 Jul 84

[By Margarita Meza]

[Text] Bogota, 19 Jul (EFE) -- The Salvadoran guerrillas have proposed here that an open dialogue be held without conditions, an offer that may even include a truce with the government of their country. The proposal was made by Mario Aguinada, representative of the FMLN and the FDR, who went to Colombia to talk with President Belisario Betancur within the framework of a "diplomatic offensive" in response to the tour that Salvadoran President Jose Napoleon Duarte is making in Europe.

Aguinada said that President Duarte has international allies and a good image abroad, but is facing difficulties created by the Legislative Assembly in his Central American country, which has refused to approve several bills submitted by the current administration on agrarian reform and salary increases. "The political oligarchy has decided to become involved in active opposition to Duarte, and it will soon be obvious that this government represents U.S. policy interests," Aguinada said, referring to the limited prospects of the Duarte government.

Aguinada noted that actions like the takeover of the Cerron Grande Dam, where "the Army sustained more than 500 casualties," and the terrorist activities on the Pan-American Highway demonstrate that the guerrilla movement is still active and "has even increased its actions since Duarte became president."

"We neither disqualify delegates nor propose an agenda; we are not setting any conditions for the initiation of a dialogue, and we will accept such a dialogue in any country, although we would prefer that it be held in El Salvador," Aguinada declared. According to the Salvadoran guerrilla representative, they would prefer to hold their talks with the government in their own country because the conflict would only be aggravated by being internationalized.

Aguinada admitted that the Army is trying to reorganize its ranks and that it has received advanced technical supplies from the United States, but he added that "instead of finding a solution by increasing the amount of materiel brought in for the Army, what the United States gets is a larger escalation on our part."

"Were it not for the U.S. intervention, the Salvadoran Army would already have been defeated by our forces, and it seems unlikely that, under the current administration, that country will stop intervening," Aguinada added.

The guerrilla representative admitted that there is a better chance of engaging in dialogue with the military men than with the government, because direct contacts have already been held with the Salvadoran High Command, while President Duarte has not responded to a note inviting him to meet for talks.

Aguinada informed Colombian Foreign Minister Augusto Ramirez about his country's current situation. He is also scheduled to meet with President Belisario Betancur, to explain the most recent developments in the armed conflict in his country.

CLANDESTINE RADIOS ON NICARAGUAN ANNIVERSARY

FMLN Command Communique

PA200208 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1830 GMT 19 Jul 84

[FMLN General Command communique released on 19 July "in El Salvador"]

[Text] Dear companeros of the FSLN National Directorate: On behalf of the FMLN General Command, we warmly and joyfully salute the fifth anniversary of the Sandinist revolution. These have been 5 difficult years in which the revolution has gradually been consolidated. This has been possible because there is a vanguard of the Nicaraguan people and a directorate that has inherited Sandino's wisdom.

On the occasion of this fifth anniversary, we wish to express to you our enthusiasm, which is reflected in the expansion of the war in our country and in our preparations to defeat the imperialist intervention. This brings our peoples closer and nourishes the roots of our unity.

We, the children of Farabundo, do not doubt that the Nicaraguan people and their vanguard, the FSLN, will defeat any counterrevolutionary attempt that seeks to endanger the revolution.

United to fight until the final victory. Revolution or death, we shall win! Free fatherland or death! Fraternally and revolutionarily.

[Signed] General Command of the FMLN; Commander Joaquin Villalobos, Commander Leonel Gonzalez, Commander Shafick Handal, Commander Roberto Roca, Commander Ferman Cienfuegos

Duarte 'About-Face' Criticized

PA192035 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Jul 84

[Station commentary]

[Excerpts] The Salvadoran people have just witnessed a political about-face by Duarte's capitulating government, a 180-degree turnabout. A similar maneuver at the wheel by a drunk driver would be nothing compared with the about-face made by Duarte's administration.

First, the Duarte administration announced that it would attend the celebration of the Sandinist people's revolution in Nicaragua on 19 July. Now they have completely changed their minds. What is the reason for this hesitation and indecision? What is the reason for such a tremendous about-face?

Duarte's capitulating government sought to cut a dashing figure, hoping to look bold with apparent peace-seeking intentions.

It hoped to appear to be maintaining an independent policy that it defintely does not have. Duarte forgot that he is living in a rented house, owned by someone else. It is someone else's house because those who really rule are the members of the National Association of Private Enterprise [ANEP], meaning the association of wealthy oligarchs. It is a rented house because Duarte's presence in the presidency is entirely due to loans granted by the United States.

Duarte's delegation will not go to Nicaragua because his masters did not grant him permission to send it. We are sure that the Salvadoran people are wondering: Why is no Salvadoran delegation going to Nicaragua? Because of Commander Daniel Ortega's statements or because of the furious communique issued by the ANEP? The response is very clear: The Christian Democrats hastily changed their decision the very evening that the millionaires' association, the ANEP, issued its communique.

Finally, we want to point out something. [Presidency Minister] Adolfo Rey Prendes has announced that the Salvadoran Government will bring charges against Nicaragua at the International Court of Justice at The Hague because of statements made by Commander Daniel Ortega. Duarte's capitulating government should be careful and think carefully before making such a decision. Duarte's administration must remember that the Reagan administration has decided to ignore The Hague tribunal for a period of 2 years in connection with the mining of Nicaragua's harbors. Duarte must think twice before resorting to The Hague tribunal, lest Reagan box his ears for impudence. Duarte should think it over carefully, lest he repeat the blunder he made with the ANEP, the association of the oligarchs.

VENCEREMOS REPORTS ON FIGHTING WITH ARMY TROOPS

PA190434 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 19 Jul 84

[Excerpts] On Wednesday, 18 July, at 0700 troops from the Rafael Arce Zablah Brigade engaged in combat with troops from the Cuscatlan Battalion off Mazatepeque hill in the jurisdiction of Sesori, San Miguel Department. In this clash the Cuscatlan Battalion suffered the following casualties: three deaths and one injury. We have been informed that among the three dead is a radio operator from the military unit attacked by our forces. No casualties were reported on our side.

On Wednesday, 18 July, troops from the Cuscatlan Battalion operating in the Canton of Jocotillo, 6 km south of Sesori in the northern part of San Miguel Department, were attacked with mines, which resulted in their suffering three serious injuries.

On 18 July at 0645, forces from the Rafael Arce Zablah Brigade ambushed an enemy convoy of five military vehicles transporting troops from the Leon Battalion. This ambush took place on the highway from Moncagua to Chapeltique, in San Miguel Department. Our forces attacked the enemy convoy with rifles in the vicinity of the Hualama hamlet, causing the Army one death and four injuries. After this operation our forces withdrew without any problem. This was another ambush added to many similar actions in the past few days by our revolutionary army, in permanent and decisive action against the forces that the U.S. Army chief of the general staff himself came to review a few hours ago. He came to vacation in our fatherland. He came to review Vides Casanova's troops, as an invading army's general reviews the invaded country.

We have also been informed that the typical enemy response came immediately. Troops from the "winged death squad," that is the Salvadoran Air Force, came to the Canton of Hualama and indiscriminately machinegunned the civilian population.

GUATEMALA

MINISTERS DISCUSS RESULTS OF TALKS IN MEXICO

PA200113 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 19 Jul 84

[Text] Guatemalan Foreign Minister Fernando Andrade Diaz-Duran discussed the subject of Guatemalan refugees with Mexican President Miguel de la Madrid and Mexican Foreign Secretary Bernardo Sepulveda during his visit in Mexico City. In an interview for the "Here's the World" newscast upon arrival at La Aurora Airport today, Andrade said that during his meeting with Mexican officials, he discussed the process of relocating refugees in Mexico and the return to Guatemala of those who wish to do so. They also discussed the alleged kidnappings of Guatemalan refugees by Mexican authorities, as reported last week by priests of San Cristobal las Casas, in Mexico.

[Begin recording] [Andrade -- in progress] ...government. We have agreed on procedures in order that Guatemalan refugees who wish to return to Guatemana can say so freely, in which case we would give them every facility for an orderly return. As you know, Red Cross President Jorge (Toreo) Garrido has been in charge of the negotiations on behalf of Guatemala.

[Unidentified reporter] Regarding reports on possible kidnappings?

[Andrade] There is absolutely nothing to this. Once again Mexican authorities have reiterated their surprise over these false reports. The UN High Commissioner for Refugees has also officially contacted the Mexican Government to reiterate that they have no knowledge of these alleged incidents. In our opinion they are invented by individuals who want to create confusion among the two countries' publics. Nonetheless, there is absolutely nothing confirming what some international agencies have published, probably based on statements by [word indistinct] individuals.

[Reporter] There have also been reports about a guerrilla hospital in Mexican territory. Did you hear anything about this?

[Andrade] I have no knowledge of this. [end recording]

Andrade traveled to Mexico with Energy and Mines Minister Alejandro Contreras Bonilla and President of the Bank of Guatemala Carlos Alpirez. The Guatemalan foreign minister reported on the economic matters discussed by the mission with the Mexican authorities.

[Begin Andrade recording] The purpose of this trip was to discuss economic and commercial and bilateral matters. We had working sessions with my Mexican counterpart, Bernardo Sepulveda. We reviewed and assessed the advances made in the past few months through the process of negotiations within the Contadora Group. We also discussed, as I said, economic and commercial aspects. We met with President Miguel de la Madrid, who received us at Los Pinos, accompanied by Foreign Secretary Sepulveda, the Mexican energy and mines secretary, the PEMEX director general, and the president of the Central Bank. [end recording]

For his part, Energy and Mines Minister Contreras announced that he made arrangements to purchase more than 8,000 barrels of Mexican oil daily.

[Begin Contreras recording -- in progress] ...my participation as energy minister. As part of the San Jose agreement, Mexico supplies us with a maximum of 8,500 barrels of oil per day. There has been a great deal of speculation about the continuation of the San Jose agreement in the past few weeks. Therefore, it was very important for us to discuss this matter with the Mexican president, which we did. The director of PEMEX and the Mexican energy and mines secretary were also present at the meeting [words indistinct] this agreement. There are still some aspects pending to be coordinated with the Venezuelan Government in order to determine jointly the conditions for the extension. There is political willingness, which is most important, and it was even announced in press communiques published in Mexico today. [end recording]

ANDRADE ON CONTADORA DOCUMENT, EEC MEETING

PA200002 Guatemala City EL GRAFICO in Spanish 19 Jul 84 p 4

[Text] Guatemala has accepted the Contadora Group's peace document and will participate in the EEC foreign ministers meeting in San Jose, Costa Rica, Foreign Minister Andrade said yesterday. He said that Guatemala considers this meeting a positive measure taken by Monge's government. Andrade added that the fact that the EEC foreign ministers will travel to Central America to meet with their Central American counterparts is a very positive sign.

Regarding his meeting in Mexico with Foreign Secretary Sepulveda, Andrade said that they jointly analyzed the Central American problem and discussed the advances that have been made. Andrade said that he took the opportunity to inform Mexican President Miguel de la Madrid that Guatemala accepts in principle the "Contadora document" and that it has no observations to make regarding its contents other than a few on form and procedures.

Andrade added that he will confirm this verbal notification to the Contadora Group countries, adding that he understands that Costa Rica has already confirmed its acceptance of the document to the Contadora Group. Nicaragua's acceptance is still pending, while the Honduran and Salvadoran Governments are still studying the document.

SPECIAL COURTS LAW REPEALED; PARDONS GRANTED

PA192130 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 19 Jul 84

[Excerpts] The Guatemalan Government today approved a pardon for all those condemned by the special courts created during General Rios Montt's regime. It was recalled that 15 men were executed after being sentenced by such courts, after their relatives had exhausted all legal recourse. The men had been accused of various crimes. Manuel de Jesus Giron Tanchez, secretary general of the head of state's office, made statements on the pardon and reported that it will be in force 1 day after its announcement in the OFFICIAL GAZETTE.

[Begin recording] The pardon is included in Decree 74-84, dated 18 July. The decree will be in force on the day following its publication in the OFFICIAL GAZETTE. Beginning 19 July, the courts handling the cases are empowered to [word indistinct] in accordance with this decree. This pardon is enacted because the head of state considers it likely that the (?principles) of justice have not exactly been met during the special courts' handling of these cases. For instance, the defendants might have been deprived of some rightful guarantees. Consideration is also being given to the possible violation of some regulations.

Above all, special consideration is being given to the uplifting of justice, and full pardon is being granted to all those who were sentenced by the special courts [words indistinct]. [end recording]

It has also been reported that now that the special courts law has been repealed the relatives of the prisoners who were executed under the law implemented by Rios Montt cannot file any suit against the state.

HONDURAS

NEW EDUCATION SECRETARY TO TAKE OFFICE 21 JULY

PA191754 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 19 Jul 84

[Text] It has been confirmed for this station that President Roberto Suazo Cordova had no choice but to accept the irrevocable resignation of Public Education Secretary Alma Rodas de Fiallos, as a result of Secretary Fiallos' demand. In addition, this station has confirmed that Professor Fausto Castillo will take office as the new public education secretary on 21 July. Castillo is the Liberal Party's representative on the National Electoral Tribunal, is a teacher, and belongs to the president's inner circle of friends. He is also a steady member of the Rodista Liberal Movement.

NICARAGUA

D. ORTEGA SPEECH ON REVOLUTION'S FIFTH ANNIVERSARY

PA191831 Managua Domestic Service in Spanish 1610 GMT 19 Jul 84

[Commander of the Revolution Daniel Ortega Saavedra's speech at the Heroes and Martyrs of the Revolution Plaza in Managua during a ceremony commemorating the fifth anniversary of the 19 July Sandinist people's revolution -- live]

[Text] We want to express our recognition of the workers who helped to construct this Carlos Fonseca Plaza of the Revolution. [applause]

We think that words are unnecessary, because the speech on the fifth anniversary of the victory of the Sandinist people's revolution has already been delivered by the people. [applause, crowd chants "people's power!"]

However, we are going to greet the leaders of two fraternal nations: Ghana and Suriname. [applause] We wish to express our gratitude at the presence of companero Jerry Rawlings from Ghana, from a distant land, from Africa, with its rebellious and unyielding peoples who are waging a battle against colonialism and racism, without either Cheetas or Tarzans. [applause] He has come to our homeland to sign the book of solidarity with the Nicaraguan people. [applause] We also want to express our gratitude at the presence here of Companero Desire Bouterse, who has come from Suriname to confirm his solidarity with the people of Sandino. [applause]

Ghana, Suriname, and Nicaragua are nations that are located at different geographical points, but that are united in our struggle for indepedence, national sovereignty, and the total freedom of our peoples. We are a part of the Nonaligned Movement. [applause]

We want to greet and express our gratitude at the presence and solidarity of delegations from various parts of the world that are accompanying us on this fifth anniversary. [applause]

We also want to extend a combative embrace to all peoples, particularly the North Americans, and we tell them that this revolution is also theirs, and that, united in the earnest desire for peace and brotherhood among of all peoples, we are now celebrating this fifth anniversary. [applause]

Five years ago we obtained victory and buried the reign of nightmares. Five years ago, the crow of the roosters and the songs of the birds announced the victory of the reign of dreams and hope. Five years ago, bells sounded the alarm, and bullets from rifles and machineguns issued forth, announcing the good news that the free people of Nicaragua had been born! [applause]

All of Nicaragua began to write the most beautiful poem, with verses consisting of literacy; of the nationalization of banks and exports; of the recovery of the people's property; of the right to work, to have land, to organize, and to mobilize; of the right to have parcels of land and homes; of the workers' participation in the news media; of the right to an education, to sports, and to culture; of the right to health; of the rights of women, children, young people, and elderly people; and of the right to criticize, to make claims, and to talk.

All of these verses disturbed the snoring Goliath, which had stolen our voice and chained our fatherland. All of these verses irritated Goliath when he saw that David, whom he had thought dead when he killed Sandino, was rising. Then Goliath again threw himself against David, meaning against the workers, the peasants, the young people, the women, the children, against all of the heroic Nicaraguan people.

The drums of war are again being sounded by the aggressors of both yesterday and today: Yankee imperialism, traffickers in evil and death. They have again launched their drug addicts to kill, to rape, to torture, to destroy, and to try to again impose a reign of death on Nicaragua.

And we have to say that ever since the current U.S. Administration assumed power, we have been subject to its terrorist policy, it state-sponsored terrorist policy. It must be said that they are the ones who have imposed the state of emergency on us.

Isn't it an emergency to have to mobilize thousands of students and workers who are in the Patriotic Military Service, the people's militias, the reserve battalions, the Sandinist People's Army, and the Interior Ministry's special forces to the battlefield?

Isn't it an emergency to have to implement special measures to guarantee supplies and production, which have been directly affected by Yankee aggression?

Isn't it an emergency to have to give priority attention to war zones, thus affecting our economic and social programs, in order to guarantee defense?

Aren't the suffering and pain of thousands of mothers, wives, sweethearts, children, and relatives who have seen 7,391 Nicaraguans die in the past 3 years an emergency? These casualties are the victims of imperialist aggression. An annual average of 2,266 children of this hard-working people have died in the last 3 years.

Isn't it an emergency to have such bloodshed in a nation of 3 million people? The United States, a military power, from 1964 to 1973, a period of 8 and 1/2 years, suffered 202,611 casualties in its war of aggression against Vietnam. Thus, an average annual rate of 23,837 young North Americans were victims of their government's aggressive and plundering policy. At that time, the United States had a population of 203 million people. Isn't Nicaragua's current situation an emergency? When we compare the number of casualties, we find that in the 3 and 1/2 years of imperialist aggression, Nicaragua's casualties represent 0.3 percent of the population. As a result of 8 and 1/2 years of a criminal, adventurist, and insane war against the Vietnamese people, 0.1 percent of the U.S. population were casualties.

Nicaragua's annual average of casualties has been seven times as large as that of the United States. Nicaragua's casualties represent 0.08 percent of the population, while the U.S. casualties represented 0.01 percent. [figures as heard]

Thus, the annual average of deaths suffered by Nicaragua in 3 and 1/2 years has been four times the annual average number of deaths suffered by the North American people in 8 and 1/2 years of imperialist aggression against the Vietnamese people [as heard]. Doesn't it constitute an emergency to have suffered losses of up to 2,275,700,000 cordobas in our productive, social, and infrastructural areas in that same period?

There is much talk about the state of emergency, and the Pharisees are demanding that the government suspend that state of emergency, when everyone knows that it is the North American rulers who, with their terrorist policy, have imposed a nationwide state of emergency on Nicaragua. We would like to suspend the emergency right now, as of this moment, because, in the first place, the suspension of the state of emergency would mean the suspension of the aggression against Nicaragua. Suspending the state of emergency would mean allowing thousands of youths to return to their homes, to their schools, and to their places of work. [applause] Lifting the emergency means mending the broken hearts of mothers, wives, children, and families. Lifting the emergency means devoting all of our efforts and resources to productive work, to the production of foodstuffs and export items. Lifting the emergency means discontinuing the production of supplies [telas] and boots for defense, and then being able to guarantee supplies to the people and a pair of shoes for every Nicaraguan. This is what suspending the state of emergency truly means. Everything else is secondary and would be icing on the cake. [applause]

Before our foreign guests, and on behalf of the Nicaraguan people, we challenge the North American Administration, which claims to be concerned about the commitments that the Sandinists undertook in 1979 and about the Nicaraguan people, to first show its concern with the commitments that the North American nation assumed when it gained independence on 4 July 1776. [applause] We tell the North American rulers to put an end to the aggression, so that the emergency can cease. All aspects of the emergency would automatically cease under such circumstances. [applause, shouts]

The Nicaraguan Government and people did not impose the emergency. The emergency has been imposed by you, the North American rulers. Don't be demagogic, cynical, and undemocratic! Put an end to the aggression! [applause, shouts]

The aggression has not ended. On the contrary, it is growing worse; thus, exercising its powers, the Junta of the Government of National Reconstruction is extending the exceptional measures [medidas de excepcion] in order to continue the state of emergency from 20 July 1984 to 20 October of this same year. [applause]

Despite this situation of aggression, we are determined to institutionalize the revolution, and will hold free elections on 4 November 1984, for the first time in Nicaragua's history. The revolutionary government, in order to guarantee the purity of these elections, restores the right to free transit throughout the country, the right of assembly and demonstration, so that all parties taking part in the electoral process may hold meetings in both open and closed places, along with marches and demonstrations in public squares, in accordance with the electoral rules and timetable.

We also guarantee freedom of speech, maintaining prior control only on information that affects the defense of our nation, which is under attack by the North American military power.

In addition, we are extending the deadline that was granted to people who wish to take shelter under the revolution's policy of pardon and who are not excluded in the decree until 4 November 1984, so they may take part in the electoral process. [applause]

This is and has been the revolution of the just, because it has been built and is being defended by the people. This revolution respects the people's religious feelings and practices. It is said that the church is composed on the Lord's people and it is said that the voice of the people is the voice of God. [applause]

There are some who locked themselves inside the temples and closed their ears out of selfishness. [applause] Christ called them [words indistinct] and Pharisees and drove them out of the temples with whips. [applause] This revolution wishes to propose to the people the appointment of a minister of God, who has refused to remain locked inside the temple beating his chest. [applause] These people of Sandino, these people of Christ, agree with the appointment of Father Fernando Cardenal to direct the education of our youth. [applause] [Announcer interjects: This applause will be heard even in the Vatican, companeros.] [applause]

So that no doubts will remain, those who agree raise your hands and flags. [applause, crowd chants "people's power!"] Let's hope that, at last, there will be ears that are not deaf to the voice of God's people in Nicaragua and their endless clamor: We want peace. [crowd chants "people's power!"]

This is the revolution. This is the people's power. This is Zeledon. This is Sandino, Rigoberto, and Carlos Fonseca, who are present on this fifth anniversary! [applause]

Sandino said: When I die, someday little ants will come to tell me that Nicaragua is free! Sandino, father of the homeland and the revolutionary; Sandino, divine bandit: Here are your little ants! They are the children! They are the youths! They are the workers! They are the peasants! They are the Indians, the blacks, the Miskitos, the mestizos, the whites, the artisans, the artists, the journalists, the women, the soldiers, the militiamen, and the elderly! They are these thousands of lost puppies, like [Nicaraguan poet Ruben] Dario said! Sandino, here are your little ants. Here are your people, who rescued you on 19 July from your grave, which was Nicaragua's chained heart. Sandino, here you are, forever resurrected, leading the FSLN, our fighters, our heroes and martyrs, and Nicaragua. Sandino, here you are, immortal guerrilla, with your eternal slogan: Free fatherland or death!

JUNTA DECREE ON 'EMERGENCY,' CIVIL LIBERTIES

PA191956 Managua Domestic Service in Spanish 1804 GMT 19 Jul 84

[Junta of the Government of National Reconstruction decree issued on 19 July]

[Text] The Junta of the Government of National Reconstruction, whereas:

1. The conditions that required the implementation of a state of national emergency in the country have not ceased to exist. On the contrary, the aggression directed by the U.S. Government against our homeland has increased throughout the year. This aggression has continued to bring mourning, bloodshed, and the destruction of our modest economic resources. The state of national emergency that the country is experiencing has forced the revolutionary government to adopt various measures, including the mobilization of thousands of citizens, especially young people, to the battlefronts, the abandonment of productive tasks -- agricultural, as well as industrial and service-oriented activities -- and the interruption of the studies of many young people. This state of national emergency has also required the allocation of great resources for defense and the suspension of investment programs and of the revolution's social projects. All of this has seriously affected the social and economic life of the nation, which has had to concentrate its efforts on rejecting the mercenary and foreiga aggression.

2. Despite the revolutionary government's efforts for peace, carried out within the Contadora Group and in the direct dialogue that we have been able to establish with the U.S. Government, the Reagan administration has shown no willingness to stop its terrorist and destabilizating actions against Nicaragua. On the contrary, it has disobyed the ruling of The Hague International Court of Justice in this regard.

3. Within this state of national emergency and as a part of it, several measures have been decreed to preserve the defense of the fatherland and the security of the nation, which are endangered by foreign aggression.

4. To guarantee all of the necessary conditions for the electoral process and to ensure that the political campaigning for all candidates and platforms can be carried out within a framework of equality, we must restore several guarantees that were suspended.

5. The situation of aggression still continues, and certain special measures directly related to the defense of the nation must be maintained.

Therefore, exercising the powers vested in it, the junta decrees:

Article 1. We are reinstating Article 15, on the freedom to circulate, and Article 23, on the freedom of assembly, in the Statute of Rights and Guarantees, in order to guarantee free circulation and the right to meet and demonstrate publicly to the political parties that are participating in the elections.

Article 2. We are reinstating Article 21, on freedom of speech, in the same statute, in order to guarantee the political parties' free use of the country's media. Any information on military matters or on matters that affect national security will still require authorization by the pertinent officials prior to publication.

Article 3. The suspension of Articles 8, 11, 32, and 50 of the Statute of Rights and Guarantees is extended until 20 October 1984.

Article 4. In regard to Articles 8 and 11 of the Statute of Rights and Guarantees, the suspension is extended only for those cases involving crimes included in Articles 1 and 2 of Decree 1074 of 6 July 1982 and related articles of the Penal Code.

Article 5. This decree will take effect as soon as it is published in any medium, without regard to its subsequent publication in the OFFICIAL GAZETTE.

[Dated] Issued in Managua on 19 July 1984

After 50 years, Sandino still lives!

[Signed] Daniel Ortega Saavedra, Sergio Ramirez Mercado, Rafael Cordova Rivas

Opposition Reaction

PA192006 Panama City ACAN in Spanish 1840 GMT 19 Jul 84

[Text] Managua, 19 Jul (ACAN-EFE) -- The Nicaraguan opposition has termed the measure adopted by the Sandinist government today guaranteeing free circulation but preserving the state of emergency, which was extended today until 20 October, both "unsatisfactory and insufficient."

In a statement for ACAN-EFE, Adan Fletes, presidential candidate for the Social Christian Party [PSC], said that the response given to the opposition's requests by Commander Daniel Ortega in his speech on the occasion of the revolution's fifth anniversary "demonstrates that the Sandinist Front is afraid of free elections."

"The response by the coordinator of the Junta of the Government of National Reconstruction is unsatisfactory and insufficient," Fletes said, while noting that "we have not rejected it as yet, as we are awaiting the decrees that will be announced. We want to submit the response as a whole to a serious analysis by the Nicaraguan Democratic Coordinating Board."

The leaders of the parties that belong to the opposition Nicaraguan Democratic Coordinating Board are analyzing the announcement made by Commander Daniel Ortega in separate meetings. They will hold a joint meeting later and again on Friday, and will announce their position on the Sandinist government decrees at a press conference in the afternoon.

In a statement for ACAN-EFE, Pedro Joaquin Chamorro Barrios, director of the opposition newspaper LA PRENSA in Managua, described Commander Ortega's speech as "violent in its words against the United States and grotesque in its words against the church." Chamorro Barrios said that the foremost Sandinist leader did not say if the provisional law on the communications media, "which is as repressive as the government's prior censorship," will remain in effect. "Commander Ortega did not say," Chamorro Barrios added, "whether the 20 independent radio news shows that were suspended 1 and 1/2 years ago will be allowed to return to the air."

According to the journalist, the leader also did not say whether there will be freedom of expression in the state radio stations, "where the FSLN exercises a monopoly." If press censorship will apply in fact only to the country's military defense henceforth, the government has taken a positive step," Chamorro Barrios stated.

FRG TELEVISION INTERVIEWS DANIEL ORTEGA

DW182218 Baden-Baden Suedwestfunk Television Network in German 2105 GMT 12 Jul 84

[Commander of the Revolution Daniel Ortega interviewed by correspondent Hartmann von der Tann in Managua; date not given in Spanish with superimposed German translation -- recorded]

[Text] [Von der Tann] Commander, the United States has often said that your government is Marxist-Leninist. Are you a Marxist?

[Ortega] We define this revolution as a Sandinist revolution, meaning that our principles come from Sandinism. Logically, this does not mean that we do not recognize or know that there is a general concept or a general philosophy regarding the evolution of human society. We must say that here in Nicaragua neither Christianity nor Marxism are in contradiction to Sandinism.

[Von der Tann] Are you personally a Marxist?

[Ortega] We are Sandinists.

[Von der Tann] Some time ago, U.S. Secretary of State George Shultz was here in Managua. What did he bring with him? What did he offer?

[Ortega] Well, we must say that this contact was given great international attention. However, regarding concrete and practical elements, we will have to see whether the United States really wants to strive for a solution to the problems in this region, or whether this has just been mere propaganda.

[Von der Tann] Commander, so he did not make you any concrete offer during this visit?

[Ortega] This was another contact we had with the United States, logically on a much higher level; however, the problems have remained the same as before.

[Von der Tann] You said you would be prepared to go to the United States and hold talks directly with President Reagan. Why? What does that mean?

[Ortega] We hold the view that we must have good relations with the United States. The revolution's foreign policy is pluralistic regarding relations with all countries in the world. Logically, in this sense we cannot ignore tha United States. What matters for us is getting over the bad relations that the United States had with Nicaragua in the past and that have continued under the present administration.

[Von der Tann] Do you believe that when you meet with President Reagan personally, you can convince him that his policy in Latin America is wrong?

[Ortega] I do not believe that I could convince the United States or President Reagan in particular. The main point is that words must be accompanied by deeds. The United States says it is ready to hold talks. It sent Mr Shultz to Nicaragua. However, we also are prepared to continue this dialogue, and we want to talk with President Reagan so as to make him have confidence in this course and to really try to find a political solution to the problems that have been created.

[Von der Tann] Commander, during his visit to Managua, U.S. Secretary of State Shultz made four demands. Which of these four demands are negotiable for you and which are not?

[Ortega] We told Mr Shultz that we are ready to discuss all points that the United States believes concern its security. We also said that the United States should be ready to talk about all the points concern Nicaragua's security regarding the U.S. policy toward our country. That would allow us to achieve a framework of mutual security.

[Von der Tann] Let us now talk about arms supplies. Is it possible, for instance, to negotiate on support for the leftist guerrillas in El Salvador?

[Ortega] We give them moral and political support, and we cannot just stop that, because we identify with the Salvadoran people's struggle and hold the view that the solution for El Salvador is not a military one; it must be a political solution.

[Von der Tann] Do you consider the presence of the Cuban advisers in Nicaragua as being negotiable?

[Ortega] In this respect I must keep to what we have said for 2 months, namely, that Nicaragua is ready now to reach a regional accord with the United States, under which all foreign military forces would be withdrawn from Central America. In other words, Central America would be free of all foreign military presence.

[Von der Tann] Who could verify that?

[Ortega] That would be easy to control. It could be done by the United Nations, the Contadora Group, or the Nonaligned Movement. There are organizations that could perfectly help verify such agreements.

[Von der Tann] Since you are speaking of Contadora, what is the influence the United States has and is bringing to bear on Contadora, that is to say: Can Contadora be successful if the United States does not want it to be?

[Ortega] I believe that the United States does not support the Contadora Group and that the United States is striving to make the Contadora Group's efforts fail. Logically, Contadora cannot make any headway as long as the United States is not interested in a political solution to the problems of the region, and as long as it views its policy from the military aspect.

[Von der Tann] How are your relations with the newly elected president of your neighboring country, El Salvador? During his election campaign, Mr Duarte actually announced talks with Nicaragua, meaning with your government. Are such talks under way or not?

[Ortega] I have talked with him as early as 1981, during the inauguration of President Suazo Cordova in Honduras. We had a talk there on the occasion of a meeting by heads of government of Central American and Latin American countries. Later on, the situation arose that Mr Duarte withdrew from the government. Logically, Nicaragua continues to be ready for talks. We do not refuse to hold talks with Mr Duarte.

[Von der Tann] Isn't this a complicated position? On the one hand you are supporting the guerrillas, who are fighting against the Duarte government, on the other, you say that you want to talk with him.

[Ortega] If there exists the will to seek a political solution to the Salvadoran problems, as was announced by Mr Duarte, and if there exists, in addition, very concrete statements by the revolutionaries that they, too, are seeking a political solution, then Nicaragua will try, as far as it itself is concerned, to strengthen such a political solution.

[Von der Tann] But what is going to happen if confrontation between the two sides continues?

[Ortega] The problem is that I do not believe that this confrontation exists between Mr Duarte and the guerrillas, because this confrontation existed prior to Mr Duarte's coming to power in El Salvador. Mr Duarte had been removed from the government by rightist forces and they have not disappeared from El Salvador. This is why we believe that the confrontation will continue as long as there are forces in El Salvador who are against negotiations and in favor of a backward-looking policy. This places Mr Duarte in a very difficult position if he really wants to make progress on the social and economic system and also if he wants to seek an independent political solution for the country.

[Von der Tann] Let us talk about Nicaragua now. You have announced elections to be held early in November. However, for the time being the economic as well as the military situation is extremely threatening. Considering this situation and the possibility that the military situation worsens, do you believe that these elections may be postponed or even canceled?

[Ortega] We have fixed a date, namely 4 November, and we are making every effort so that the elections will take place on this date, regardless of the problems the country is experiencing. It is evident that we have to make allowances for the difficulties, but it is an effort made by the revolution and a challenge with which it has to cope.

[Von der Tann] Aren't you running the risk then that, as in El Salvador, a certain portion of the people will not be in a position to go to the polls because the military situation does not allow it?

[Ortega] The situation over here certainly is not similar to that in El Salvador, although the mercenaries enjoy the support of powers, such as the United States. The effects brought to bear on the majority of the people are rather limited. Fighting is taking place, above all, in the border areas and in the mountain regions inside our country, which, however, are only sparsely populated, so that a situation similar to that in El Salvador will not arise.

[Von der Tann] When will the state of emergency, which also includes press censorship and a ban on public meetings, actually be lifted in view of the elections?

[Ortega] As soon as the attacks and the military aggression the country is experiencing cease. In other words: The state of emergency is related to the military aggression. In matters involving the elections, the revolution intends to provide all possible guarantees of safety so that the political forces participating in the elections can evolve freely.

[Von der Tann] So it is not intended to lift the state of emergency on the fifth anniversary of the revolution?

[Ortega] I repeat, the state of emergency exists because of the military situation and its duration is determined by the military situation and not by dates.

[Von der Tann] Do you really believe that an election campaign is possible during the state of emergency?

[Ortega] We have said already that we provide all guarantees in this respect. This also includes the possibility for guests from abroad, who are currently visiting our country, to get acquainted at close range with our efforts to lay the cornerstone for the elections in this country -- efforts which inside the country also secure the freedom and equality of all participating parties and which are to confirm the strength of the revolution before world public opinion. Finally we will guarantee that absolutely no one will be in a position to harass the election process.

[Von der Tann] Is it actually possible that the state of emergency will not be lifted at all prior to the elections?

[Ortega] This depends on the military situation; it depends on the situation. If the military situation eases, then logically there is no reason for maintaining the state of emergency.

[Von der Tann] What, in your view, is the role played by the opposition's participation? Is it important or not important for you?

[Ortega] I believe that the participation of those groups opposing the revolutionary government is important because by participating they accept the change this country has undergone, and do not speculate on an intervention by the Americans. However, those groups who want to boycott the elections are gambling on the U.S. policy of aggression, its military and interventionist policy.

[Von der Tann] Will you be the Sandinists' presidential candidate?

[Ortega] We will announce the candidate in due time. Our candidate is the program and not any individual person. We believe that one should not present an individual person to the people, but that programs must be presented. What the people are supposed to vote for is not an individual person but programs.

[Von der Tann] All right, let me repeat the question, now phrased somewhat differently: Would you actually like to become the first elected president of a new Nicaragua?

[Ortega] I am a member of the Sandinist Front and what I desire is to do is as good job as possible, at any place the organization assigns to me.

[Von der Tann] There are people here in Nicaragua who say that right now the economic problems are much more difficult than the military problems your country has to cope with. Do you consider this correct and true?

[Ortega] The world economic situation is difficult. This also applies to strong, developed countries. Logically, this crisis has a particularly strong effect on countries such as ours, and if I refer to countries like ours I am speaking of Central American countries that really are shaken by this crisis. For Nicaragua this is true in two respects, because in addition to this world economic crisis we experience, there is the military aggression by the United States which entails material effects. In 1983 alone Nicaragua suffered losses in the amount of $128 million as a result of direct attacks, bombing raids, as a result of the terrorism practiced by the North American Government with the help of the CIA. This is offset by an enormous production effort with respect to the basic materials we are exporting. What they amount to today is a mere $450 million, meaning $450 million in production against $128 million in losses, and in addition the economic crisis, the payment of the debts, and so forth; it is logical that the situation really is difficult.

[Von der Tann] Are you not afraid that you will lose the support of some of Nicaraguans prior to the elections as a result of the economic problems?

[Ortega] We are indeed running this risk. There is a whole engineered campaign to blame the government for the economic problems, whereas the whole world knows that, revolution or no revolution, this country would have been affected by the economic crisis. But in this respect, the Sandinist Front is waging a struggle to make this clear to the people, to educate the people, so that the people will truly understand the reasons for, and the causes of, the crisis. We must say that there is displeasure in important segments of the population; however, it is not displeasure with the revolution but instead indignation over particular mistakes and weaknesses that cropped up within the revolution. Criticism is voiced within the revolution, not for the purpose of destroying it but to strengthen the revolution and to better cope with the crisis.

[Von der Tann] But surely it will not strengthen the revolution if a large segment, or part, of the population votes for other parties for economic reasons.

[Ortega] We don't believe that the people will indulge in speculating that other parties could better solve the economic problems, even if there are many slogans to this effect. There are favorable conditions for demagogic speeches on the subject which arouse erroneous hopes, but considering the clear judgment the people have attained and the awareness they have, we consider it difficult to really implent such slogans among the people.

[Von der Tann] Commander, there is at the moment a very vehement clash with the Catholic Church hierarchy in this country. What this involves is the bishops' pastoral letter for Easter in which they call for reconciliation between you and your armed adversaries, meaning those who are fighting against you. Why was your reaction to this appeal so harsh, so strong?

[Ortega] As for that, it is necessary to say that the church is made up of the Christian population. The Nicaraguan people are a Christian people who fight against aggression from outside, an aggression that is seen by the whole world and condemned by the whole world, including the North American faithful and their bishops. But here in Nicaragua there are some bishops who give political speeches and, in so doing, identify with the policy of the United States. Logically, after utterances of that nature they must reckon with political replies having the same force as their political statements. Thus, we have here a political controversy with the bishops who adopt a stance in favor of the counterrevolution. But in no case do we have a religious conflict.

[Von der Tann] Are you a Christian yourself?

[Ortega] This people are a Christian people. We have a Christian upbringing, or better yet, the basis of our upbringing is Christian. We can aver that we knew Christ before Marx, and perhaps it is the familiarity with both Christ and Marx on the basis of what Sandino means to us that gives great unity to the revolutionary thinking of the Sandinist Front.

[Von der Tann] Pardon me, Commander, once again: Are you a Christian?

[Ortega] I have said already that we interpret Christianity as a way of acting and that our upbringing proceeded on a Christian basis and in a Christian family. I was brought up in a Christian family, and my revolutionary unrest emerged, above all, from an identification with the people, with the workers, with the poor, proceeding from Christian religion, meaning, out of this Christian upbringing.

[Von der Tann] Sometimes you refer to the contra fighters as full of hate, as beasts, as animals. Do you believe that this designation is right, that it is appropriate? Granted, they are your adversaries, but that doesn't make them animals.

[Ortega] This is an expression coined by the people here in the struggle against Somoza's dictatorship. Beasts, these were the guards of Somoza, the soldiers of Somoza and the civilians who committed crimes against the people. I would say that it would mean insulting beasts, that is, animals, to call these mercenaries beasts, because animals are irrational while these men are rational. They are worse than animals.

[Von der Tann] Commander, what are your relations like with Europe in general and, especially, how are your relations, the Nicaraguan revolutionary government's relations, with the FRG?

[Ortega] In general, in Europe we found concern over Central America with regard to the problem that presents itself in the Central American region, with regard to the existing crisis, and furthermore, the desire to seek a political solution to the problems that form the basis of the crisis in this region. We agreed with most European parties and governments, inasmuch as it is necessary to adopt a clear position toward the foreign interventionism, even though there are variations, different views, in some aspects. But one can say that there is agreement that it is necessary to seek a political solution to the Central American problems, that the Nicaraguan revolution needs pluralistic support to enable it to strengthen its nonalignment. However, there are some European governments that have given in to U.S. pressure, thus becoming accomplices to U.S. crimes committed in Central America. One of these governments is the current FRG Government that has become an accomplice to the entire U.S. political barbarism, although the Americans have been called to order by an internationally recognized organization such as the International Court of Justice.

It seems that, however, the United States is against all principles, against all international legal norms, and instead of taking precautionary measures ordered by the court, the government and the administration continue to demand further millions to murder the Nicaraguan people and to continue the isolation policy with regard to Nicaragua. All of this is supported by the FRG Government, which has thus become an accomplice of the United States.

[Von der Tann] When did the FRG give money to Nicaragua for the last time?

[Ortega] The money approved by the former government has been frozen for some time. Some project where we wanted cooperation depended on a visit I wanted to make to the FRG when the change of government took place. The new government seems to do nothing but repeat what the Americans say. Its approach to Nicaragua is hostile. As for Nicaragua, we never wished to have or were interested in having a clash with this government; on the contrary, we were prepared to talk with it, seeking possibilities for cooperation.

[Von der Tann] Commander, almost 5 years have elapsed now since the victory of the revolution. What has been your greatest success so far and what has been your greatest failure in this time?

[Ortega] I believe that the greatest success consists in the fact that the people consider themselves an active part of the nation if we speak of the people as a whole, of these diligent and modest people who had been passive and suppressed before. Now these people think, they are critical, active, and creative. I think this is most important and the greatest success. This is what the people value the most, more than material achievements of the revolution.

As regards the greatest failure so far, I think it is difficult to speak of a particular failure. However, we must admit that our foresight was insufficient at a time when the revolution scored its victory. At that time, the U.S. Administration was prepared to have talks; it was prepared to frankly eliminate the old historical problems with regard to Nicaragua.

Nicaragua was also prepared to do this. This made us lose sight of the possibility that some day, new U.S. aggression could come into existence. In this connection, we must say that we have neglected vigilance. We neglected vigilance and tried to enter a sphere of reconstruction; we wanted to create normality in every respect. Naturally, this also created certain hopes among the people such as, for example, a quicker solution to a number of problems in the field of public health service and in the field of the social system.

When the new U.S. Administration took over and began to attack our people, logically we were put in an increasingly difficult situation, because we had to explain to the people that now the danger of an intervention really existed, and we had to recall that the possibility of new U.S. occupation existed as in the past. This forced us to totally change our policy.

FOREIGN MINISTRY ON BLACK MOON 'OFFENSIVE'

PA191856 Panama City ACAN in Spanish 1748 GMT 19 Jul 84

[Text] Managua, 19 Jul (ACAN-EFE) -- On the fifth anniversary of the revolution, three anti-Sandinist organizations are preparing a new offensive against the Nicaraguan Government, the Foreign Ministry of Managua charged today. A ministry source claimed that the rebel forces belonging to the Miskito, Sumus, and Ramas, the Democratic Revolutionary Alliance and the Nicaraguan Democratic Force are uniting to stage a new invasion "from Honduran territory" called "Kati-sika" (Black Moon) in the Miskito dialect. According to the Managua authorities, this plan complies with "specific instructions" from the U.S. Central Intelligence Agency (CIA) and is intended to establish a provisional government in a portion of Nicaragua's territory. "The operational base of the Black Moon plan is in Honduran territory," the Foreign Ministry added. It states that a U.S. Army Corps of Engineers sappers company arrived in Honduras to repair the highway that leads to the contras' operational base on the Nicaraguan border, known as "Banco Grande."

According to the Foreign Ministry, this new offensive is the result of the increase in the Reagan administration's assistance for the rebel groups, "who openly use Honduran territory, a fact about which the president of that country, Roberto Suazo Cordova, is complacent." Nicaragua has leveled this charge at the same time that a Honduran official delegation is in the country to attend the fifth anniversary of the Sandinist revolution. The delegation is led by Roberto Galvez Barnes, roving Honduran ambassador for Central America and the Caribbean.

The Foreign Ministry also noted "the provocation" reflected in the fact that the U.S. aircraft carrier CV-67 John F. Kennedy, one of the world's largest, has anchored only 100 km southeast of the Nicaraguan port of El Bluff in the Atlantic Ocean. "The aircraft carrier was reportedly anchoring in Honduran territorial waters, where it is engaging in military maneuvers. However, after a short stay in that country, it unexpectedly set sail for Nicaraguan territorial waters," the Foreign Ministry explained.

Military sources estimate that some 4500 anti-Sandinists will participate in the "Black Moon" offensive.

ENVOY TO BULGARIA COMMENTS ON U.S. 'PRESSURE'

AU191716 Sofia BTA in English 1649 GMT 19 Jul 84

["Despite the Imperialist Pressure" -- BTA headline]

[Text] Sofia, July 19 (BTA) -- Speaking on the Bulgarian television, Nicaragua's Ambassador to Bulgaria Mr Bayardo Salmeron emphasized that Nicaragua as well as Bulgaria were targets of the blackmail and pressure of the forces of imperialism claiming to dictate on the states with whom and how to pursue their foreign policies.

Having characterized the hegemonistic course of the imperialistic forces in the USA aiming to suffocate Nicaragua economically, the ambassador pointed out that Bulgaria was also the target of similar blackmailing and "her brave resistance makes us feel deep gratitude, it gives us courage to double our efforts in the struggle for peace, independence and self-determination."

The ambassador spoke on the television in connection with the fifth anniversary of the victory of the Sandinist Front in Nicaragua.

He emphasized that the USA is overtly restoring to political and economic pressure vis-a-vis all countries not obeying its aggressive course.

"The U.S. stand forced us to address all peoples and governments which condemn the U.S. intervention in Central America, in order to use our legitimate right to defense and to prompt the immediate finding of a political way out of the conflict," the ambassador said. "The measures we have undertaken through our leaders in both Western Europe and in the socialist countries, and the positive response of these governments and peoples provided us with what was necessary not to yield to the U.S. response both at the negotiations table and in the battlefield."

BORGE REPORTS FRENCH VOLUNTEER WOUNDED IN ATTACK

PA191543 Hamburg DPA in Spanish 1510 GMT 19 Jul 84

[Text] Managua, 19 Jul (DPA) -- French volunteer Katherine Vince was wounded in an attack by anti-Sandinist forces on Monday. The ambush took place on a highway in eastern Nicaragua, Interior Minister Commander Tomas Borge reported today.

It was learned that a group of 12 internationalists, who are part of the Nicaraguan reconstruction support brigade, were attacked in the area of San Miguelito, 250 km east of Managua, by a "group of mercenaries." The internationalists were traveling with a group of workers from the state-run Nicaraguan Communications and Postal Services Institute [TELCOR] when they were ambushed. Three TELCOR workers were wounded along with the French woman. The wounds sustained were not serious.

PASTORA ON RETURN TO COUNTRY, ARDE SITUATION

PA200229 Paris AFP in Spanish 0151 GMT 20 Jul 84

[Text] San Jose, 19 Jul (AFP) -- Anti-Sandinist leader Eden Pastora has reported that he is in southern Nicaragua with the rebels fighting the Managua regime. He was a victim of an attack last 30 May. In a telephone conversation with a local television station, Pastora said that he will continue the armed struggle "so long as there is no democracy in Nicaragua."

He added that he had decided to visit his troops to tell them about his recent trip to the United States and the one he will soon conduct through Europe in an effort to secure support to "achieve the democratization of the Sandinist revolution."

Asked about the situation of the Democratic Revolutionary Alliance (ARDE) Pastora said it was "critical," and stressed that "they tried to destroy us politically, physically, and even militarily," in reference to the decision by two ARDE groups to expel him from that organization.

The leader said that he still belongs to ARDE because that organization "is not made up of 2 individuals but of 8,000 fighters who are struggling to free Nicaragua and of 15,000 Nicaraguans who are fighting for democracy" in that country.

Pastora reported that he will hold a press conference -- a follow-up to the one that was cut short by the 30 May attack in La Penca, Nicaragua -- to explain ARDE's situation to the world.

Meanwhile, the Miskito organization Miskito, Sumu, Rama Sandinist Unity, headed by Brooklyn Rivera, will hold a press conference tomorrow in San Jose to explain its position vis-a-vis ARDE.

RADIO IMPACTO REPORTS FDN ATTACKS ON EPS GARRISONS

PA192357 San Jose Radio Impacto in Spanish 1830 GMT 19 Jul 84

[Report by Frank Arana, Radio Impacto correspondent in Honduras -- live or recorded]

[Text] The Nicaraguan Democratic Force [FDN] task forces have completely destroyed two Sandinist military garrisons located a mere 18 km from the Nicaraguan city of Esteli. A total of 25 militias surrendered, and the rest of the troops fled in disarray. Furthermore, 150 Sandinist People's Army [EPS] troops in full military gear have rebelled against their superiors in northern Nicaragua.

Several units of the Julio Mesa Column, which is part of the FDN's Diriangen Regional Command, attacked two EPS military garrisons only 18 km from Esteli. The FDN attacks took place in (Laguna de Miraflor) and (La Fortuna). The FDN is making its presence felt only 18 km from the city of Esteli. The Sandinist forces were overwhelmed by the FDN units soon after they began their simultaneous attacks.

REAGAN SAID WILLING TO NEGOTIATE WITH USSR

FL191821 Havana Television Service in Spanish 1700 GMT 19 Jul 84

[Text] Edward Teller, adviser to President Reagan in matters of defense, has said that U.S. President Ronald Reagan has agreed to negotiate with the USSR on space weapons because a refusal to do so in an election year would cost him a lot of votes. In an interview granted to the West German magazine STERN, Teller recognizes that the U.S. people and press demand negotiations that assure peace. Edward Teller, a U.S. atomic physicist, invented the hydrogen bomb in 1951 and is known for his propensity for war.

REAGAN TO PRESSURE CONGRESS ON SALVADORAN AID

FL191331 Havana Television Service in Spanish 1225 GMT 19 Jul 84

[Text] The White House will try to increase pressure on the U.S. Congress next week to obtain its approval for more aid for El Salvador and the Nicaraguan counterrevolutionaries. Plans include a trip to Washington by Salvadoran President Jose Napolean Duarte, who is now visiting Europe, and visits by anti-Sandinist leaders. The U.S. Congress will renew its sessions on 23 July and will continue meeting until 10 August, when it will recess for the Republican national convention to be held in Dallas, Texas. Officials of the Reagan administration told newsmen in Washington that they believe that the next 2 or 3 weeks will be crucial to their attempts to get Congress to approve more funds for the U.S. President's Central American policy.

U.S. CARRIER REPORTED OFF NICARAGUAN COAST

FL191201 Havana Domestic Service in Spanish 1000 GMT 19 Jul 84

[Text] The U.S. aircraft carrier John F Kennedy is about 100 km southeast of the Nicaraguan port of El Bluff, located in the Department of (Celaya Sur). The carrier's location was reported by the Directorate of Public and Foreign Relations of the Nicaraguan Defense Ministry. The gigantic ship, with a 83,000 ton displacement, a crew of 5,000, and 70 fighter planes, is escorted by a submarine, a tanker, and a frigate armed with guided missiles. This flotilla's entrance in Nicaraguan waters took place 48 hours after official representatives of Nicaragua and the United States met in Atlanta, Georgia, as part of a process that might lead to negotiations. The Nicaraguan Government has confirmed that Deputy Foreign Affairs Minister Hugo Tinoco met in Atlanta this week with special U.S. envoy Harry Shlaudeman. Their conversations dealt with procedural matters.

FURTHER REPORTAGE ON POLISH VICE MINISTER'S VISIT

Miret Speaks At Ceremony

FL191108 Havana Domestic Service in Spanish 1000 GMT 19 Jul 84

[Text] During a ceremony in Havana to mark the 40th anniversary of Poland's national festival, Pedro Miret, member of the Party Politburo, expressed the certainty that Poland would build socialism and continue to go forward. Division General Antoni Jasinski, vice minister of national defense and president of Polish-Cuban Friendship Association, was also at the ceremony.

Pedro Miret said that 4 decades ago, Poland was in ruins because of the war in which 6 million of its best people died, which places it among the European nations which lost the greatest number of people. He stated that in Warsaw alone, 900,000 inhabitants perished and a third of the country's industry was destroyed as were over half its hospitals. Miret expressed the admiration of Cubans for the great exploit of the Poles along with their Soviet brothers during the Second World War.

Jasinski Meets ICAP Officials

FL192344 Havana Domestic Service in Spanish 2130 GMT 19 Jul 84

[Text] The presidents of the Cuban and Polish friendship associations today met at the Havana offices of the Cuban Institute of Friendship With Peoples [ICAP]. They discussed matters of interest to the organizations. Division General Julio Casas Regueiro, alternate Politburo member, and Division General Antoni Jasinski, Central Committee member of the Polish Unified Labor Party and vice minister of national defense, headed their respective delegations.

General Jasinski said that on 26 July, an exhibition commemorating the 31st anniversary of the assault on Moncada Barracks would be held in Poland, organized by the friendship association. After this, various events would be held commemorating the death of Camilo Cienfuegos and Cuba's Revolutionary Armed Forces Day on 2 December. Also attending the event were Alfredo Suarez, Central Committee member, members of the directorate of the Polish-Cuban Friendship Assocation, and Mario Rodriguez, first vice president of the ICAP.

BRAZILIAN WORKERS PARTY PRAISES CUBAN EXAMPLE

PY192111 Sao Paulo FOLHA DE SAO PAULO in Portuguese 18 Jul 84 p 6

[By reporter Luzia Rodrigues]

[Excerpts] Havana -- "The Cuban experience, with all the progress achieved in the social field despite being a poor country without resources and wealth, could be repeated in Brazil if it were a well run country."

This statement was made by Luiz Inancio Lula da Silva, the president of the Workers Party [PT], who is on an official visit to Cuba leading a PT delegation that includes Deputy Djalma Bom, Secretary for International Relations Luis Eduardo Greenhalgh, PT Secretary General in Sao Paulo Jose Dirceu de Oliveira, and Secretary of the Sole Central Organization of Workers (CUT) in Sao Paulo Jorge Luiz Coelho.

Yesterday the delegation met with Jorge Lezcano Perez, the vice president of the National Assembly of the People's Government, and with Deputy Ramiro Rio Perez Teran. Lexcano Perez and Perez Teran described how and at what levels the National Assembly, which is equivalent to the Brazilian Congress, functions.

The PT delegation spent the 3d day of its visit, which began last Friday, in the Picadura Valley on a huge ranch located between Havana and Matanzas Provinces where Ramon Castro, Fidel's eldest brother, has been managing a genetic livestock complex for 15 years. Ramon Castro himself, dressed in a militia uniform, accompanied the Brazilian delegation to the homes of the peasants who are members of local cooperatives. There are also farmers who are not members of this cooperatives system and who exploit their land individually.

The world economic crisis was among the subjects discussed between the PT leaders and Fidel Castro's brother. Everyone agreed that the Latin American countries now have no means to settle their foreign debts, which, as a whole, doubled in only 5 years. Ramon Castro stated that even facing the consequences of the world economic crisis, the economic blockagde exerted by the United States and other countries, and despite being an industrially underdeveloped country burdened with many problems, Cuba achieved a 6-percent growth rate last year, while all the economies of the Latin American countries are in recession.

The Cubans showed great restraint in connection to the fact that there are no relations between Cuba and Brazil, and they made no comments when we questioned them on this issue. However, it could be noted that there is a great desire to normalize relations, more so when one recalls the cultural similarities between the two nations.

The PT leaders repored that the PT is making efforts to stage a campaign aimed at re-establishing the ties severed by the Brazilian Government in 1964. Two days ago the PT delegation was received at the Education Ministry, which along with the Health Ministry is a top priority of the Cuban Government in the social field. In the afternoon, after talking with the leaders of the people's government, the Brazilians watched some Cuban documentaries. The PT delegation is leaving this morning for Nicaragua, where it will participate in the celebrations of the fifth anniversary of the Sandinist revolution. Before leaving, the PT leaders will met with Cuban President Fidel Castro.

DELEGATIONS IN MANAGUA FOR CELEBRATION

Cubans Arrive

PA190441 Havana International Service in Spanish 0000 GMT 19 Jul 84

[Text] Osmani Cienfuegos, member of the Politburo of the Communist Party of Cuba's Central Committee, arrived in Managua at the head of a delegation that will take part in the events to commemorate the fifth anniversary of the triumph of the Nicaraguan Revolution. The Cuban delegation includes Jose Lopez Moreno, vice president of the Council of Ministers; Hector Rodriguez Llompart, minister president of the State Committee for Economic Cooperation; Manuel Pineiro, chief of the America Section of the PCC Central Committee; and Rene Rodriguez, president of the Cuban Institute of Frienship with Peoples. Nicaraguan Construction Minister Commander Mauricio Valenzuela, Transportation Minister Carlos Zarruck, and Commander Omar Cabezas, head of the Political Directorate of the Nicaraguan Interior Ministry, welcomed the Cuban delegation to Nicaragua.

Ghanaian, Surinamese Arrive

FL191644 Havana Domestic Service in Spanish 1600 GMT 19 Jul 84

[Text] Chiefs of State Flight Lieutenant Jerry Rawlings of Ghana and Colonel Desi Bouterse of Suriname have arrived in Managua for the festivities commemorating the anniversary of the Sandinist revolution. Commander Daniel Ortega, coordinator of the Nicaraguan governing junta, welcomed them at Managua's Augusto Cesar Sandino International Airport, where the visitors received military honors.

NICARAGUA'S D. ORTEGA THANKS CASTRO FOR HELP

FL191404 Havana Domestic Service in Spanish 1045 GMT 19 Jul 84

[Text] Commander of the Sandinist revolution Daniel Ortega, coordinator of the Junta of the Government of National Reconstruction of Nicaragua, has sent a letter to our Commander in Chief Fidel Castro, party first secretary and president of the Councils of State and Ministers.

In his letter, Ortega recalls that just 4 days after the triumph of the Sandinist revolution, Nicaragua began to experience fraternal and appropriate cooperation with the arrival of the brigades of Cuban doctors. That noble gesture began an honorable process of friendship by a people, who despite the indiscriminate imperialist blockade which they had suffered for years, gave their hearts and labor to a people in ruins, who, torn apart by war, were proudly raising their eyes and placing their hopes in the future.

Five years have passed since that time and our ties of friendship and fraternity are becoming stronger every day. The letter says that it is appropriate to mention on this occasion that during this period, Cuban cooperation has reached incalculable levels and it has taken place in many different ways, the most relevant being in the areas of education, health care, and construction.

Daniel Ortega tells Fidel: With the help of your people, we have built bridges, hospitals, schools, prefabricated housing plants, and a cement factory. We have also received generous donations of food, medicine, school supplies, machinery and spare parts, seeds, fishing boats, construction materials, sports equipment, and endless valuable help for our people.

He adds that in Cuban education centers, about 5,000 Nicaraguan youths are being trained in different areas of science and technology. These are future professionals who will use what they have learned in Cuba to serve the Sandinist revolution.

Ortega points out that this history is just a small demonstration of the cooperation that Nicaragua has received; that the lives given by Cuban brothers in the completion of different taks for our governments were invaluable for the Sandinist people's revolution. He adds that the memory of these comrades will live eternally in the Sandinist people, who will continue to pay homage to their memory in the future, giving them a place among the immortal heroes of Nicaragua. In his message Ortega says to Fidel: We wish to express to you our firm decision to defend our conquests as we have been doing up to now. Also, we want to express our desire for peace and mutual respect in relations with the other countries of the world. We reiterate that we are a peace loving country, we are making great efforts to achieve peace but if our imperialist enemies attack us, they will find a people ready to defend their achievements with their lives and their blood.

Finally, Daniel Ortega's letter to Fidel Castro says: On this fifth anniversay of our cooperation, in the name of the FSLN, the Government of National Reconstruction, and the fighting Nicaraguan people, we wish to express our undying recognition of the Cuban party, government, and people, with the assurance that the ties of friendship between our peoples are and always will be unbreakable.

GUATEMALAN LABOR MINISTER TO MEDIATE WORKERS STRIKE

FL190230 Havana Television Service in Spanish 0000 GMT 19 Jul 84

[Text] More than 1,000 port workers from the Granel S.A. of Guatemala firm in Escuintla Province have gone on strike because of economic demands.

According to dispatches, 1,600 workers from Port Quetzal began a strike on Monday after employers rejected giving an increase in wages. Guatemalan Minister of Labor Carlos Padilla Natareno will meet on Friday to mediate between the strikers and company representatives.

GUERRILLA ATTACK, STRIKES NOTED IN EL SALVADOR

PA191314 Havana International Service in Spanish 0000 GMT 19 Jul 84

[Text] FMLN guerillas attacked Salvadoran Army positions on central El Salvador's Atachin Bridge in the last several hours. The Salvadoran news agency SALPRESS reported that the clash lasted more than 2 hours. The Atachin Bridge links the villages of Ilobasco in Cuscatlan Department and San Rafael Cedros in Cabanas Department. The dispatch states that the number of casualties and other details of the attack, which is part of the FMLN's ongoing military campaign, have not yet been reported.

Meanwhile, more than 4,000 workers at the Salvadoran Treasury Ministry and its agencies and hundreds of international airport employees remain on strike in demand of salary increases. The Msgr Oscar Arnulfo Romero Committee of Mothers and Relatives of Political Prisoners and Missing People of El Salvador has demanded that the tyranny clarify the whereabouts of more than 5,000 missing persons, grant unconditional release to some 500 political prisoners, and punish the murderers of almost 50,000 Salvadorans. The mothers also pointed out that President Ronald Reagan is currently asking the U.S. Congress to approve $117 million more in aid for the Salvadoran Armed Forces.

New disputes have erupted among the Salvadoran regime's leaders after Vice President Rodolfo Castillo, who is also minister of interior, declared that Isidro Lopez Cernero, one of the founders of the ruling Christian Democratic Party, is corrupt.

CHILEAN STUDENTS DETAINED; BARRACKS ATTACKED

PA192120 Havana International Service in Spanish 1600 GMT 19 Jul 84

[Text] Unidentified persons fired at a police barracks near the Mapocho police station in Santiago, where hundreds of opponents of the Augusto Pinochet dictatorship have been tortured. According to reports, the attackers hurled dynamite into the barracks and then proceeded to fire at the installation for several minutes. The attackers then fled.

It has also been reported that Chilean police yesterday detained about 30 students who had gathered in front of Santiago Archbishop Juan Francisco Fresno's home. The students had planned to ask him to intercede so that 21 students who had been expelled could be readmitted to the Catholic University. Chilean universities have been under military control since the 1973 military coup.

WESTERN ARMY REARGUARD UNITS ON MANEUVERS

FL191925 Havana Television Service in Spanish 1700 GMT 19 Jul 84

[Text] The "Guanajay 84" military maneuvers were recently held in the municipality of La Palma, Pinar del Rio Province, with the participation of various rearguard units of the Western Army and a mountain defense zone.

The goal of the exercise was the formation of a logistical base that would permit the securing and distribution of resources to support a people's war.

The rearguard units that participated were from Havana City Province, Havana Province, and Pinar del Rio Province. They cooperated closely with the inhabitants of the San Andres de Caiguanabo defense zone, who worked largely on defensive installations and provisioning.

The success of this exercise came fundamentally from the union of the military units with all the organizations of the defense zone, which makes it possible under special circumstances not only to supply that area but also to supply more distant areas. During the "Guanajay 84" maneuvers, the political work done by the party and other organizations and the enthusiasm and aggressiveness with which the people participated was outstanding.

OFFICIALS PRESIDE OVER GRADUATION CEREMONY

FL182015 Havana Television Service in Spanish 1700 GMT 18 Jul 84

[Text] Julio Camacho Aguilera, Politburo member, and Jaime Crombet, member of the party Secretariat, have presided over the graduation ceremony of the largest graduating class of health technicians of Havana City Province, held in the Carlos Marx theater. More than 3,000 students were graduated, including general nurses, pediatric nurses, technicians from various specialties, and dental assistants.

It was a day filled with emotions for the graduates who will now use their knowledge and love to treat their patients. But it was also an important day for the rest of us because we must think about what 3,000 new soldiers mean to the army of health in the city of Havana because in all Cuba there are 12,500. And if we deepen our analysis a little, we will have to remember that, prior to the revolution, there were only 1,500 nurses and 800 technicians in all Cuba. Today, we have a total of 70,000 technicians and nurses. [as heard] This is without a doubt an important step on the road to making Cuba a medical power because without technicians and nurses our country would not reach such a beautiful goal.

GROWING MOVEMENT FOR PENA GOMEZ CANDIDACY

FL191826 Santo Domingo LISTIN DIARIO in Spanish 13 Jul 84 p 11

["Observations" column by Octavio Mata Vargas]

[Text] The movement based at the National District City Council, which favors the presidential candidacy of Jose Francisco Pena Gomez for the Dominican Revolutionary Party [PRD] in the 1986 elections, continues to gain strength.

This column has learned that important officials of the municipal organization are preparing a document announcing Pena Gomez' candidacy. According to what was found, they are only awaiting Pena Gomez' arrival in the country and an investigation to decide whether or not to proceed with the movement.

On repeated occasions, Dr Pena Gomez has said he does not seek to be his party's candidate for president in the next elections, but instead looks toward 1990.

Federal District Treasurer Raymundo Tirado, leader of the Institutional Bloc, which was set up as a vehicle for Pena Gomez' political views, told "Observations" that it is still too early to speak about the PRD leader's seeking the presidency in 1986.

He recalled that Pena Gomez was quite clear in his speech when he said that the Institutional Bloc will take power "when conditions are right and the political and technical staffs are ready to carry out the changes that are needed for a more just society."

PRSC DENIES TRAINING 'MILITARY COMMANDOS'

FL191910 Santo Domingo LISTIN DIARIO in Spanish 13 Jul 84 p 8

[Excerpts] Moca -- The Revolutionary Social Christian Party's [PRSC] municipal committee has categorically denied that the party has been involved in training "military commandos" as a Dominican Revolutionary Party [PRD] leader from Moca had reported to LISTIN DIARIO on Monday, 9 July.

In a press statement issued in Moca, PRSC secretary general, Juan Morris Duran, said that "youths who once only dabbled in politics today are provided real preparation at our political training school, whose electoral groups are divided into the units of 000-01, 000-02, 000-03, and so on, which the Central Electoral Commission has established."

DOMINICA

PRESIDENCY AMENDMENT BILL TO BE DISCUSSED

FL200136 Bridgetown CANA in English 1832 GMT 19 Jul 84

[Text] Roseau, Dominica, July 19, CANA -- The Dominica Government will go to Parliament on Monday with legislation aimed at amending the island's Constitution with particular reference to the presidency, according to the order paper.

The paper says Legal Affairs Minister Ronan David will pilot the bill for an act to further amend the Commonwealth of Dominica Constitution Order 1978 which was handed down to the island when it attained political independence from Britain in November 1978.

The object of this bill is to enable any person who is a citizen of Dominica, who otherwise is qualified, to be eligible to be nominated for election as president if he resides outside of the island by virtue of employment with any inter-governmental organisation or institution of the Commonwealth Caribbean, or any international organisation or institution of which Dominica is a member.

The bill will also seek to give Parliament the authority to waive the residence qualification in particular circumstances, and also to provide for the speaker or deputy speaker to act as president in the event of a vacancy in that office.

The proposed amendment will repeal several sections dealing with the president and replace them with more exact provisions. One such change stipulates that when the question of the election of a president is put to the vote, the votes shall be given by ballot in such a manner as not to disclose how any particular member of the House votes. The election of a president for Dominica is done by secret ballot in Parliament, or by a unanimous decision by the leaders of government and the opposition on the choice of a candidate.

Observers here say that the amendment is aimed at preventing a recurrence of a legal debate earlier this year, when unsuccessful presidential candidate Star Lestrade challenged the constitutionality of the election of President Clarence Seignoret.

Other matters to be debated during Monday's sitting include a parliamentary question as to whether or not the government will propose a "financial rescue operation" to the Organisation of Eastern Caribbean States (OECS) with respect to saving the ailing but vital Windward Island's banana industry.

Opposition Senator Bernie Didier wants to know whether the finance minister will seek to save the industry from collapse "in light of the massive decline of the pound sterling against the United States dollar." Britain is the major market for bananas from the islands.

JAMAICA

OPPOSITION PARTIES JOB CUT CLAIM DENIED

FL200130 Bridgetown CANA in English 2254 GMT 19 Jul 84

[Text] Kingston, Jamaica, July 19, CANA -- The Jamaica Government is under pressure to give full details of a recent agreement with the International Monetary Fund (IMF).

The call has come from the main opposition People's National Party (PNP) while the Marxist Workers Party of Jamaica (WPJ) has harassed the government over what it says is an IMF document which says 10,000 [as received] public service jobs are to be cut.

Minister of State for Agriculture Anthony Johnson last night vigorously denied the claim as "the figment of someone's imagination."

But, speaking at a public forum, WPJ General Secretary Trevor Munroe insisted "I have seen with my own eyes the document which states that over 10,000 people are going to be laid off."

The government has said that 6,200 jobs will be lost in the public sector.

In return for the IMF loan package of 143.5 million U.S. dollars, the Jamaica Government has devalued the local dollar, and is pledged to reduce state subsidies, and social spending as part of an austerity package which has already been felt through sharply rising prices.

Meanwhile the Ministry of Commerce and Industry published today its first survey of prices on selected consumer goods in six parishes as part of efforts at moral persuasion for distributors to keep the lid on the cost of living here.

TRINIDAD AND TOBAGO

MID-YEAR PETROLEUM PRODUCTION INCREASE REPORTED

FL191846 Bridgetown CANA in English 1659 GMT 19 Jul 84

[Text] Port-of-Spain, Trinidad, July 19, CANA -- For the first time in six years, Trinidad and Tobago has reversed an annual average six per cent decline in crude oil production, recording an increase for the first half of 1984, Energy Minister Patrick Manning said.

In a mid-year review of the vital petroleum industry, he said that crude oil production was 162,326 barrels per day (bpd) which represented an increase of 0.5 per cent when compared with the corresponding period in 1983. It also represented a 1.5 per cent increase above the 1983 average, Manning stated yesterday.

Asked about the reason for the sudden turnaround, Manning said all the oil companies had responded favourably to the reduction in the Land Supplementary Petroleum Tax (SPT) and in the case of Amoco, Trinidad Oil Company, for instance, engineers were taken out of the office and "rightfully" put on the drilling platforms which resulted in some additional drilling.

The companies have welcomed the mid-1983 move to reduce the SPT from 35 per cent to 15 per cent, freeing a portion of their gross revenues for reinvestment into producing operations.

The minister said five of the six operating oil companies showed increases in production over their 1983 levels, with the Trinidad and Tobago Oil Company (Trintoc) showing the largest percentage increase of 10.9 per cent.

The Texaco Trinidad Incorporated (Textrin), with which government is having talks on a possible takeover, was the exception, continuing to register steep declines, with its production falling by 21 per cent from the 1983 average.

Manning said that drilling activity remained at the reduced levels of 1983 with a cumulative drilled depth of 105,413 metres (345,843 feet) being just 4.3 per cent more than the same period in 1983.

"The cumulative drilling activity for the first half of 1984 totalled 50.3 rig months [as received] which represented a decline of 22 per cent compared to the corresponding period last year," he said.

He said that nine rigs were used for drilling here with offshore drilling activity supporting four rigs. "A total of 85 wells were spudded in this half of the year, compared with 94 during the similar period last year," he said.

According to Manning, the two marine producing companies Amoco and Trinmar had increased their drilling activity this year and this accounted for 40 per cent of the depth drilled -- an increase of 4.4 per cent above the depth drilled last year, and also an upsurge in drilling activity by Premier Consolidated Oilfields Limited which drilled a total of 11 wells during the review period.

Reviewing refinery output for the half year, the minister said the Texaco refinery reflected a 5.1 drop from the 1983 average while the Trintic refinery had an increase of 12.9 per cent over the 1983 average.

In the case of Texaco, the refinery with a rated capacity of 275,000 barrels per day (BPD) was doing 60,102 BPD, and the Trintoc refinery with a rated capacity of 85,000 BPD was producing a throughput of 15,807 BPD.

Despite the dismal picture given of Texaco, Manning said there was some hope for this company at the end of the year. He said Texaco had indicated that six wells would be drilled this year, which would increase production and plans to drill a further 20 wells in its established fields had also been announced.

The minister declined to comment on the present state of negotiations between the government and Textrin. Manning said the matter of a possible state takeover of the Trinidad Tesoro Oil Company was in the hands of the auditor general.

Asked whether he could foresee a rise in world oil prices, Manning said that this all depended on what scenario developed, such as the situation in the Persian Gulf and the possible elimination of oil production from the world market.

However, he noted that there were several oil exporting countries, including those tied to the Organisation of Petroleum Exporting Countries (OPEC) which would like to increase their production levels but were held back by mandatory controls. Manning therefore, did not anticipate an increase in world prices.

On the proposed liquified natural gas plant, he said the cabinet had decided last March that a study should be conducted of the gas market in the United States, and that a price formula should be determined. A study group had been appointed to pursue the matter.

INTER-AMERICAN AFFAIRS

LATIN AMERICAN PARLIAMENT MEETS IN SAN JOSE

PA191759 San Jose Radio Reloj in Spanish 1200 GMT 19 Jul 84

[Text] A special meeting of the Latin American Parliament begins today in the Cariari Hotel, with the participation of 14 Latin American countries.

The Parliament will be in session until 21 July; its members will discuss their countries' joint position in facing the IMF on the issue of foreign debt. It has been agreed that this special meeting will consider the issues of a change in the international economic structure, postponement of the deadline for foreign debt payments, and better prices for Latin American exports.

BOLIVIA

RADIO, TELEVISION WORKERS' STRIKE 'FAILURE'

PY191837 Paris AFP in Spanish 1630 GMT 19 Jul 84

[Text] La Paz, 19 Jul (AFP) -- The strike of the Bolivan radio and television workers was a complete failure, said professionals of this sector after a meeting held in La Paz today. The Confederation of Radio and Television Workers decided to hold a 48-hour strike in protest of the attacks on several radio stations in La Paz and Santa Cruz. At the same time, the businessmen of this sector decided to criticize the government for its lack of action in the face of these attacks. The confederation said that the strike was a failure because not even the radios which suffered the attacks stopped working because of the confederation's lack of coordination with union leaders and members.

GUYANA

MARINE INSTITUTE TO BE FORMED JOINTLY WITH CUBA

FL192236 Bridgetown CANA in English 1835 GMT 19 Jul 84

[Text] Georgetown, Guyana, July 19, CANA -- Guyana supports the setting up of a regional marine training institute to cater for the needs of Caribbean territories, Transport Minister Seeram Prashad said. "Guyana with its commitment to the concept of regionalisation is of the view that a regional marine training institute is the answer to the problem of inadequately trained marine personnel," Prashad said. He spoke of the high capital and recurrent costs to each territory for pursuing such a project [word indistinct] "because of the high stakes that obviously hinge on effective and intensive marine applications for contribution to the public good, I urge that public, private, and co-operative concerns should think seriously of institutionalising marine training," he added.

A joint Cuban-Guyana Commission decided at its ninth meeting in Havana in April to introduce the training programme.

The minister was speaking at the formal opening of a three-month joint work programme on marine engineering training between the Guyana and Cuban Governments. Barbados has been proposed as the site for a regional centre.